

*Hawa Engineers Ltd.*

**26<sup>th</sup>**  
**ANNUAL REPORT**  
**2018-2019**



## 26th ANNUAL REPORT 2018-2019

### BOARD OF DIRECTORS

Mr. Aslam Kagdi	Chairman, Managing Director & CFO
Mr. Asad Kagdi	Joint Managing Director
Mr. Mohammed Khan Pathan	Whole Time Director
Mr. Shad Mdafzal Ranginwala	Independent Director
Mr. Anwarahmed Mohammed Javid Daruwala	Independent Director
Mrs. Sabana Amjad Rehmani	Independent Director

### COMPANY SECRETARY

Mrs. Bharti Rathi (upto 14<sup>th</sup> November, 2018 )  
Ms. Shital Dalavadi (w.e.f 15<sup>th</sup> November, 2018)

### AUDITOR:

#### Yusuf C. Mansuri & Co.

Chartered Accountant, Ahmedabad

### SECRETARIAL AUDITOR

#### M/s. Chirag Shah and Associates

Company Secretary, Ahmedabad

### PRINCIPAL BANKERS:

#### Canara Bank

Navrangpura, Ahmedabad

### REGISTERED OFFICE

Plot No. 129, Near Kashiram Textile Mill,  
Narol Road, Ahmedabad - 382405  
Tel : 079-25320781/82/83/86  
E-mail : cs@hawaengltd.com  
Website: www.hawaengltd.com

### CORPORATE IDENTIFICATION NUMBER:

L29120GJ1993PLC019199

### REGISTRAR & TRANSFER AGENT:

#### Bigshare Services Pvt. Ltd

A-802, Samudra Complex, off C G Road,  
Navrangpura, Near Girish Cold Drinks  
Ahmedabad 380009  
Email Id: bssahd2@bigshareonline.com  
Website: www.bigshareonline.com

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## NOTICE

Notice is hereby given that the 26<sup>th</sup> Annual General Meeting of Hawa Engineers Limited will be held on Monday, 30<sup>th</sup> September, 2019 at 3.00 p.m. at the registered Office of the Company situated at Plot No. 129, Near Kashiram Textile Mill, Narol Road, Ahmedabad – 382405, to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2019 and the Profit and Loss Account for the year ended on that date together with the Report of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Aslam Kagdi (DIN: 00006879), who retires by rotation and, being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

3. **Re-Appointment of Mr. Anwarahmed Mohammed Javid Daruwala (DIN:06487724) as an Independent Director of the Company.**

To consider and if thought fit, pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Anwarahmed Mohammed Javid Daruwala (DIN:06487724), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years w.e.f 1<sup>st</sup> October, 2019 on the Board of the Company.”

4. **Re-Appointment of Mr. Shad Mdafzal Ranginwala (DIN: 01989939) as an Independent Director of the Company.**

To consider and if thought fit, pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Shad Mdafzal Ranginwala (DIN:01989939), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years w.e.f 1<sup>st</sup> October, 2019 on the Board of the Company.”

5. **Re-Appointment of Mrs. Sabana Amjad Rehmani (DIN:06967822) as an Independent Director of the Company.**

To consider and if thought fit, pass with or without modification(s), the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange

Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re- enactment(s) thereof, for the time being in force), Mrs. Sabana Amjad Rehmani(DIN: 06967822), who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years w.e.f 1<sup>st</sup> October, 2019 on the Board of the Company."

6. **Re-Appointment of Mr. Aslam Kagdi (DIN:00006879) as a Managing Director of the Company.**

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification) or re-enactment thereof for the time being in force), and also subject to approval of the Central Government, if required, the Company hereby accords its approval to the re-appointment of Mr. Aslam Kagdi (DIN:00006879) as a Managing Director of the Company for a period of three years w.e.f 8<sup>th</sup> February, 2019 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment so as the total remuneration payable to him shall not exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, for the time being in force and as agreed by and between the Board of Directors and Mr.Aslam Kagdi without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit Mr. Aslam Kagdi will be paid minimum remuneration as stated in the Explanatory Statement or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at relevant time.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013 the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Aslam Kagdi within prescribed limit or ceiling and as agreed by and between the Company and Mr. Aslam Kagdi without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company is authorised to take such steps as may be necessary to give effect to this Resolution."

7. **Re-appointment of Mr. Asad Kagdi (DIN:00006898) as a Joint Managing Director of the Company.**

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification) or re-enactment thereof for the time being in force), and also subject to approval of the Central Government, if required, the Company hereby accords its approval to the re-appointment of Mr. Asad Kagdi(DIN:00006898) as a Joint Managing Director of the Company for a period of three years w.e.f 8<sup>th</sup> February, 2019 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment so as the total remuneration payable to him shall not exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, for the time being in force and as agreed by and between

the Board of Directors and Mr. Asad Kagdi without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit Mr. Asad Kagdi will be paid minimum remuneration as stated in the Explanatory Statement or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at relevant time.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013 the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Asad Kagdi within prescribed limit or ceiling and as agreed by and between the Company and Mr. Asad Kagdi without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company is authorised to take such steps as may be necessary to give effect to this Resolution. "

8. **Re-appointment of Mr. Mohammed khan Pathan (DIN:00006940) as a Whole Time Director of the Company.**

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with the provisions of Section 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification) or re-enactment thereof for the time being in force, and also subject to approval of the Central Government, if required, the Company hereby accords its approval to the re-appointment of Mr. Mohammed khan Pathan (DIN:00006940) as a Whole Time Director of the Company for a period of three years w.e.f 8<sup>th</sup> February, 2019 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment so as the total remuneration payable to him shall not exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof, for the time being in force and as agreed by and between the Board of Directors and Mr. Mohammed khan Pathan without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit Mr. Mohammed khan Pathan will be paid minimum remuneration as stated in the Explanatory Statement or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at relevant time.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013 the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Mohammed khan Pathan within prescribed limit or ceiling and as agreed by and between the Company and Mr. Mohammed khan Pathan without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors of the Company is authorised to take such steps as may be necessary to give effect to this Resolution. "

9. **Re-classification of Persons forming part of the Promoter Group from Promoter & Promoter Group Category to Public Category.**

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in accordance with Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any statutory modification(s) or reenactment thereof,

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for the time being in force and other applicable provisions, and subject to necessary approvals from the SEBI Board, Stock Exchanges and other appropriate statutory authorities as may be necessary, the consent of the Members of the Company be and is hereby accorded to reclassify the following persons/entities (hereinafter individually and jointly referred to as the 'applicants') forming part of the Promoter Group from 'Promoter & Promoter Group Category' to 'Public Category'.

Sr. No.	Name of Promoters & Promoter Groups	No. of Equity Shares ( Face Value of Rs.10/- each) held	% of Shares
1	SAJID SACHA	8912	0.25
2	SABERA HAWA	1100	0.03
3	GULAM HUSAIN KERIWALA	200	0.01
4	KHALIK YAHYABHAI HAWA	3310	0.09
5	HASEEB YUSUFBHAI KAPADIA	1545	0.04
6	MUJIBA HAWA	3900	0.11
7	FOWZIA HAWA	0	0
8	ZAFAR A HAWA	10459	0.3
9	B N PATHAN	13105	0.37
10	ABDULLAH M KAGDI	33400	0.95
11	AASIA A RANGOONWALA	28427	0.81
12	TARIQ A KUSIWALA	27900	0.79
13	WASIM M SHAIKH	27900	0.79
14	SOHEL SADIK MANIAR	25300	0.72
15	ASFAK MRANGOONWALA	71400	2.02
16	ZUBIR A KAGDI	48400	1.37
17	ZUNNUN HAWA	3100	0.09

**RESOLVED FURTHER THAT** re-classification of promoter as public shareholders shall be subject to the following conditions:

- Such promoter shall not directly or indirectly exercise control over the affairs of the entity.
- Increase in the level of public shareholding pursuant to re-classification of promoter shall not be counted towards achieving compliance with minimum public shareholding requirement under rule 19A of the Securities Contracts (Regulations) Rules, 1957, and the provisions of Regulation 38 of SEBI (LODR) Regulations, 2015.
- The event of re-classification shall be disclosed to the stock exchange as a material event in accordance with the provisions of these regulations.
- Board may relax any condition for re-classification in specific cases, if it is satisfied about non-exercise of control by the outgoing promoter or its person acting in concert.

**RESOLVED FURTHER THAT** after such reclassification following shall be the Promoters of the Company

<b>Sr. No.</b>	<b>Name of Promoters &amp; Promoter Groups</b>	<b>No. of Equity Shares ( Face Value of Rs.10/- each) held</b>	<b>% of Shares</b>
1	FAZLUREHMAN MOHAMMEDMIYA KAGDI	107814	3.06
2	MOHAMMED FAZLURREHMAN KAGDI	114923	3.26
3	JAMILABIBI FAZLURREHMAN KAGDI	209700	5.95
4	ASLAM F KAGDI	183581	5.21
5	ASAD F KAGDI	172462	4.89
6	AAMINAH MOHAMED ZAKARIA KAGDI	173100	4.91
7	SAFIYA MOHAMMED KAGDI	91500	2.59
8	KAGADI MOHAMEDILYAS ASAD	66420	1.88
9	IBRAHIM M KAGDI	21451	0.61
10	ISMAIL KERIWALA	2500	0.07
11	HUMAIRA MOHAMMED KAGDI	19087	0.54
12	SUFIYAN A PAYAWALA	43200	1.23
13	KAGDI SUMAIYA ASLAM	9100	0.26
14	M N PATHAN	24900	0.71
15	TEHSEEN MOHAMMEDASAD KAGDI	111052	3.15
16	SARAH ASLAM KAGDI	173000	4.91
17	M ZAKARIYA KAGDI	61117	1.73
18	SIDDIQUA ASLAM KAGDI	53300	1.51

**RESOLVED FURTHER THAT** on approval of the SEBI Board/ Stock Exchanges upon application for reclassification of the aforementioned applicants, the Company shall effect such reclassification in the Statement of Shareholding Pattern from immediate succeeding quarter under Regulation 31 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and compliance to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, and other applicable provisions.

**RESOLVED FURTHER THAT** any of the Directors of the Company or such other person as authorized by the Board, be and is hereby authorized to submit application for reclassification to the SEBI Board, Stock Exchanges wherein the securities of the company are listed or any other regulatory body as may be required and to take such steps expedient or desirable to give effect to this resolution.

**By order of Board of Directors  
Hawa Engineers Limited**

Sd/-  
**AslamKagdi**  
**Chairman**  
**DIN: 00006879**

**Date :** 27<sup>th</sup> June, 2019  
**Place :** Ahmedabad  
**Registered Office:**  
Plot No. 129, Near Kashiram Textile Mill  
Narol Road, Ahmedabad – 382405  
CIN :L29120GJ1993PLC019199



**NOTES:**

1. A Member entitled to attend and vote at The Annual General Meeting ("Meeting/AGM") is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. A person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10 percent of the total share capital of the company. However, A member holding more than 10%, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy in order to be valid and effective should be lodged / deposited with the company at its Registered Office at least 48 (Forty Eight) hours before the commencement of the Meeting.
2. The Explanatory Statement pursuant to Section 102 of Companies Act, 2013, setting out material facts in respect of Item Nos. 3 to 9 to is annexed hereto.
3. The Register of Members and the Share Transfer Books of the company shall remain closed from **Monday, 23<sup>rd</sup> September, 2019 to Monday, 30<sup>th</sup> September, 2019 (both days inclusive)**.
4. Members/proxies should bring their copy of the Annual Reports and Accounts along with Attendance Slip (duly completed) when attending the Meeting.
5. Corporate members intending to send their authorized representatives to attend the Annual General Meeting, pursuant to section 113 of the Companies Act, 2013, are requested to send to the company, a certified copy of the relevant Board Resolution together with the respective specimen signatures of those representatives authorized under the said resolution to attend and vote on their behalf at the meeting.
6. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respects of electronic holding with the Depository through their concerned Depository Participants.
7. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
8. The Register of Director's and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the Annual General Meeting.
9. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members holding shares in Demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.  
For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
10. All documents referred to in the Notice and Explanatory Statement requiring the approval of the Members at the meeting and other statutory registers shall be available for inspection by the Members at the Registered office of the Company during office hours on all working days between 10.00 a.m. to 5.00 p.m. from the date of hereof up to the date of the Annual General Meeting
11. Shareholders desiring any information as regards the Accounts are required to write to the Company at least seven days in advance of the meeting so that the information, to the extent practicable, can be made available at the meeting.



12. The Annual Report 2018-19 of the Company is also available on the Company's website at [www.hawaengltd.com](http://www.hawaengltd.com) and also on the website of the respective Stock Exchange at [www.bseindia.com](http://www.bseindia.com).
13. The details of the Directors seeking appointment/re-appointment at the 26<sup>th</sup> AGM are provided at Annexure A to this Notice.
14. A Route map showing directions to reach the venue of the 26<sup>th</sup> Annual General Meeting is Annexed to the notice of this annual report as per the requirement of the Secretarial Standards -2 on "General Meeting".

**The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on **Friday, 27<sup>th</sup> September, 2019 at 9.00 AM** and ends on **Sunday, 29<sup>th</sup> September, 2019 at 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 23<sup>rd</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN Field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL

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platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant HAWA ENGINEERS LTD on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30<sup>th</sup> June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins on **Friday, 27<sup>th</sup> September, 2019 at 9.00 AM** and ends on **Sunday, 29<sup>th</sup> September, 2019 at 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Monday, 23<sup>rd</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**Contact details**

<b>Company</b>	Hawa Engineers Limited
<b>Regd. Office</b>	Plot No. 129, Near Kashiram Textile Mill, Narol Road, Ahmedabad – 382405
<b>Registrar and Transfer Agent :</b>	Bigshare Services Pvt. Ltd , A-802, Samudra Complex, off C G Road, Navrangpura, Near Girish Cold Drinks, Ahmedabad 380009
E-voting Agency	central depository services limited E-mail :helpdesk.evoting@cDSLindia.com. Phone : 022-22723333/8588
<b>Scrutinizer</b>	CS Chirag Shah Practising Company Secretary E-mail ID : chi118_min@yahoo.com pcschirag@gmail.com

**Other Instructions:**

- a) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date i.e. 23<sup>rd</sup> September, 2019.
- b) CS Chirag Shah has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- c) The Scrutinizer shall immediately after the conclusion of voting after the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the company and make, not later than three days of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Chairman or person authorised by him in writing shall declare the results of the voting forthwith.
- d) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.hawaengltd.com](http://www.hawaengltd.com) and on the website of CDSL [www.evoting.cDSL.com](http://www.evoting.cDSL.com) immediately after the result is declared by the Chairman.
- e) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
- f) The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in physical form can submit their PAN details to M/s. Bigshare Services Private Limited.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

As required by Section 102 of the Act, the following explanatory statement sets out all material facts relating to the businesses mentioned under Item Nos. 3 to 9 of the accompanying Notice.

**ITEM NO. 2 to 8**

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT and APPOINTMENT at ensuing AGM**

NAME OF DIRECTOR	Anwarahmed Mohammed Javid Daruwala	Shad Mdzafzal Ranginwala	Sabana Amjad Rehmani	Aslam Kagdi	Asad Kagdi	Mohammed khan Pathan
DIN	06487724	01989939	06967822	00006879	00006898	00006940
Date of Birth	31/03/1987	18/11/1984	05/10/1970	21/01/1961	28/06/1962	16/07/1976
Age	32	35	49	58	57	43
Expertise in Specific functional area/Experience	Mr. Anwarahmed Mohammed Javid Daruwala, age 32 years, was appointed as Independent Director of the Company in the category of Non-Executive Independent Director w.e.f. 1st October, 2014.	Mr. Shad Mdzafzal Ranginwala, age 35 years, was appointed as Independent Director of the Company in the category of Non-Executive Independent Director w.e.f. 1st October, 2014.	Mrs. Sabana Amjad Rehmani, age 49 years, was appointed as Independent Director of the Company in the category of Non-Executive Independent Director w.e.f. 1st October, 2014.	Mr. Aslam Kagdi has been working as Director of the company since 1st June, 2000. Aslam Kagdi is one of the key functionaries in the top management team and had been associated with the Company for about 13 years and he has wide business experience with Leadership Qualities.	Mr. Asad Kagdi has been working as Director of the company since 26th March, 1999. AsadKagdi is one of the key functionaries in the top management team and had been associated with the Company for about 14 years and he has Wide business experience with Leadership Qualities.	Mr. Mohammed khan Pathan has been working as Director of the company for More than 10 years Experience in the field of Business RelationMarketing, Sales etc.
Qualification	B.com	B.com	B.com	B.E	Commerce Degree and post Graduation inManagement	M.E Mechanical
Terms and Conditions of Re-appointment	As per Explanatory Statement	As per Explanatory Statement	As per Explanatory Statement	As per Explanatory Statement	As per Explanatory Statement	As per Explanatory Statement
Number of Meetings of the Board attended during the year 2018-19	4	4	4	4	4	4

NAME OF DIRECTOR	Anwarahmed Mohammed Javid Daruwala	Shad Mdafzal Ranginwala	Sabana Amjad Rehmani	Aslam Kagdi	Asad Kagdi	Mohammed khan Pathan
Date of first appointment on the Board	15/02/2013	31/01/2008	30/09/2014	01/06/2000	26/03/1999	30/04/2004
Directorship of other listed companies as of date	None*	None*	None*	None*	None*	None*
Chairman/ Member of Committees (including Audit Committee & Stakeholder Committee)	2*	2*	None*	1*	1*	None*
No of shares held in the Company	NIL	NIL	NIL	183581 Equity Shares	172462 Equity Shares	24900 Equity Shares
Remuneration sought to be paid.	Sitting fees and commission	Sitting fees and commission	Sitting fees and commission	Refer explanatory statement	Refer explanatory statement	Refer explanatory statement
Remuneration last drawn.	NIL	NIL	NIL	Rs. 12,00,000 (F.Y 18-19)	Rs. 12,00,000 (F.Y 18-19)	Rs. 6,00,000 (F.Y 18-19)
Relationship with other Directors, Manager and Other Key Managerial Personnel of the Company	Does not have any relationship with any other Director.	Does not have any relationship with any other Director.	Does not have any relationship with any other Director.	Mr. AslamKagdi is Brother of Mr. AsadKagdi, Joint Managing Director of the Company.	Mr. AsadKagdi is Brother of Mr. AslamKagdi, Chairman and Managing Director of the Company.	Does not have any relationship with any other Director.

**\*Note :** The Directorship held by director mentioned above do not include directorship of Private Limited Company.

**ITEM NO. 3**

Mr. Anwarahmed Mohammed Javid Daruwala was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014. He holds office as an Independent Director of the Company upto 30<sup>th</sup> September, 2019. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors has recommended the re-appointment of Mr. Anwarahmed Mohammed Javid Daruwala as an Independent Director for a second term of 5 (five) consecutive years upto 30<sup>th</sup> September, 2024 on the Board of the Company. The Board, based on the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee considers that given the background and experience and contributions made by Mr. Anwarahmed Mohammed Javid Daruwala during his tenure, the continued association of Mr. Anwarahmed Mohammed Javid Daruwala would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Anwarahmed Mohammed Javid Daruwala as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) years on the Board of the Company. Section 149 of the Act prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides further that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Mr. Anwarahmed Mohammed Javid Daruwala is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. Anwarahmed Mohammed Javid Daruwala, age 32 years, was appointed as Independent Director of the Company in the category of Non-Executive Independent Director w.e.f. 1st October, 2014.

He is a member of the Audit Committee, a member of the Nomination and Remuneration Committee and a member of the Stakeholder Relationship Committee of Company. Mr. Anwarahmed Mohammed Javid Daruwala is not related to any other directors of the Company.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Anwarahmed Mohammed Javid Daruwala for the office of Independent Director of the Company. The Company has also received declaration from Mr. Anwarahmed Mohammed Javid Daruwala that he meets the criteria of independence as prescribed under Section 149(6) of the Act. In the opinion of the Board, Mr. Anwarahmed Mohammed Javid Daruwala fulfils the conditions for appointment as Independent Director as specified in the Act. Copy of the draft letter for re-appointment of Mr. Anwarahmed Mohammed Javid Daruwala as an Independent Director (Non-Executive) setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday, upto and including the date of AGM of the Company. Brief resume and other details of Mr. Anwarahmed Mohammed Javid Daruwala are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The Board of Directors recommends the said special resolution for your approval. Mr. Anwarahmed Mohammed Javid Daruwala is deemed to be interested in the said Special resolution as it relates to his re-appointment. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

**ITEM NO.4**

Mr. Shad Mdafzal Ranginwala was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014. He holds office as an Independent Director of the Company upto 30<sup>th</sup> September, 2019. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors has recommended the re-appointment of Mr. Shad Mdafzal Ranginwala as an Independent Director for a second term of 5 (five) consecutive years upto 30<sup>th</sup> September, 2024 on the Board of the Company. The Board, based on

the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee considers that given the background and experience and contributions made by Mr. Shad Mdafzal Ranginwala during his tenure, the continued association of Mr. Shad Mdafzal Ranginwala would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mr. Shad Mdafzal Ranginwala as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) years on the Board of the Company. Section 149 of the Act prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides further that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Mr. Shad Mdafzal Ranginwala is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mr. Shad Mdafzal Ranginwala, age 35 years, was appointed as Independent Director of the Company in the category of Non-Executive Independent Director w.e.f. 1<sup>st</sup> October, 2014.

He is a member of the Audit Committee, a member of the Nomination and Remuneration Committee and a member of the Stakeholder Relationship Committee of Company. Mr. Shad Mdafzal Ranginwala is not related to any other directors of the Company.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mr. Shad Mdafzal Ranginwala for the office of Independent Director of the Company. The Company has also received declaration from Mr. Shad Mdafzal Ranginwala that he meets the criteria of Independence as prescribed under Section 149(6) of the Act. In the opinion of the Board, Mr. Shad Mdafzal Ranginwala fulfils the conditions for appointment as Independent Director as specified in the Act. Copy of the draft letter for re-appointment of Mr. Shad Mdafzal Ranginwala as an Independent Director (Non-Executive) setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday, upto and including the date of AGM of the Company. Brief resume and other details of Mr. Shad Mdafzal Ranginwala are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The Board of Directors recommends the said Special resolution for your approval. Mr. Shad Mdafzal Ranginwala is deemed to be interested in the said resolution as it relates to his re-appointment. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

#### **ITEM NO. 5**

Mrs. Sabana Amjad Rehmani was appointed as an Independent Director on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 ("Act") read with Companies (Appointment and Qualification of Directors) Rules, 2014. She holds office as an Independent Director of the Company upto 30<sup>th</sup> September, 2019. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors has recommended the re-appointment of Mrs. Sabana Amjad Rehmanias an Independent Director for a second term of 5 (five) consecutive years upto 30<sup>th</sup> September, 2024 on the Board of the Company The Board, based on the performance evaluation of Independent Directors and as per the recommendation of Nomination and Remuneration Committee considers that given the background and experience and contributions made by Mrs. Sabana Amjad Rehmaniduring his tenure, the continued association of Mrs. Sabana Amjad Rehmani would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director. Accordingly, it is proposed to re-appoint Mrs. Sabana Amjad Rehmani as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) years on the Board of the Company. Section 149 of the Act prescribes that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides further that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and



disclosure of such appointment in its Board's report. Section 149(11) provides that an independent director may hold office for up to two consecutive terms. Mrs. Sabana Amjad Rehmani is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director.

Mrs. Sabana Amjad Rehmani, age 49 years, was appointed as Independent Director of the Company in the category of Non-Executive Independent Director w.e.f. 1<sup>st</sup> October, 2014.

The Company has received notice in writing from a member under Section 160 of the Act proposing the candidature of Mrs. Sabana Amjad Rehmani for the office of Independent Director of the Company. The Company has also received declaration from Mrs. Sabana Amjad Rehmani that she meets the criteria of Independence as prescribed under Section 149(6) of the Act. In the opinion of the Board, Mrs. Sabana Amjad Rehmani fulfils the conditions for appointment as Independent Director as specified in the Act. Copy of the draft letter for re-appointment of Mrs. Sabana Amjad Rehmani as an Independent Director (Non-Executive) setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, except Saturday, upto and including the date of AGM of the Company. Brief resume and other details of Mrs. Sabana Amjad Rehmani are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India. The Board of Directors recommends the said Special resolution for your approval. Mrs. Sabana Amjad Rehmani is deemed to be interested in the said resolution as it relates to his re-appointment. None of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

#### **ITEM NO. 6**

The Nomination & Remuneration Committee at its meeting held on 8<sup>th</sup> February, 2019 recommended and the Board at its meeting held on 8<sup>th</sup> February, 2019 have re-appointed Mr. Aslam Kagdi as a Managing Director and CFO of the Company for a further period three years w.e.f 8<sup>th</sup> February, 2019 on following terms and conditions, subject to the approvals of the shareholders in the General Meeting.

The brief particulars of re-appointment and remuneration payable to Mr. Aslam Kagdi as Managing Director are as follows:

Period of Appointment: 3 years with effect from 8<sup>th</sup> February, 2019.

Salary : Monthly Salary which may not exceeding Rs. 2.5 Lakhs as may be decided by the Board of Directors or Nomination and Remuneration Committee, from time to time. The annual increment will be decided by the Nomination and Remuneration Committee of the Company. In the event of any loss, absence or inadequacy of profit of the Company in any financial year, the salary specified herein shall be payable as minimum salary.

Commission : Up to 2% of the Company's Net Profit for each financial year as calculated in accordance with Section 198 of the Companies Act, 2013 subject to the overall ceiling laid down in Section 197 of the Companies Act, 2013.

#### **PERQUISITES CATEGORY - A**

- (a) Medical benefit All medical expenses incurred for self and family shall be reimbursed, as per the policy of the Company.
- (b) Leave Travel Concession For self and family once in a year including one foreign trip in accordance with the rules of the Company.
- (c) Club fees Annual fees of club subject to maximum of two clubs. This will not include admission and life membership fees.
- (d) Personal Accident Insurance Personal Accident Insurance of an amount in accordance with the rules of the company.

**CATEGORY – B**

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent they are, either singly or put together not taxable under the Income-tax Act, 1961. Gratuity will be paid as per applicable laws and rules of the Company.

**CATEGORY – C**

The Company shall provide a car with driver for official and personal use. Telephone at residence will be provided, the cost of which will be borne by the Company. Mr. Aslamkagdi is liable to retire by rotation and shall not be paid any sitting fees for attending any meetings of Board or committees thereof.

Mr. Aslam Kagdi has been associated with Hawa Group since 2000. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalized approach to the business and competitive spirit has helped towards the growth of the Group and its various businesses.

The Board of Directors felt that it is in interest of the Company to continue to avail services of Mr. Aslam Kagdi as a Managing Director of the Company. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

The Board of Directors recommends the said Special resolution for your approval.

Brief resume and other details of Mr. Aslam Kagdi are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Mr. Aslam Kagdi is deemed to be interested in the said resolution as it relates to his re-appointment.

Mr. Asad Kagdi being relative of Mr. Aslam Kagdi is also interested in the said resolution.

None of the other Directors or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

The above may be treated as written memorandum setting out the terms of re-appointment of Mr. Aslam Kagdi under Section 190 of the Companies Act, 2013.

**ITEM NO. 7**

The Nomination & Remuneration Committee at its meeting held on 8<sup>th</sup> February, 2019 recommended and the Board at its meeting held on 8<sup>th</sup> February, 2019 have re-appointed Mr. Asad Kagdi as a Joint Managing Director of the Company for a further period three years w.e.f 08<sup>th</sup> February, 2019 on following terms and conditions, subject to the approvals of the shareholders in the General Meeting .

The brief particulars of re-appointment and remuneration payable to Mr. Asad Kagdi as Joint Managing Director are as follows:

Period of Appointment : 3 years with effect from 08<sup>th</sup> February, 2019.

Salary : Monthly Salary which may not exceeding Rs. 2.5 Lakhs as may be decided by the Board of Directors or Nomination and Remuneration Committee, from time to time. The annual increment will be decided by the Nomination and Remuneration Committee of the Company. In the event of any loss, absence or inadequacy of profit of the Company in any financial year, the salary specified herein shall be payable as minimum salary.

Commission : Up to 2% of the Company's Net Profit for each financial year as calculated in accordance with Section 198 of the Companies Act, 2013 subject to the overall ceiling laid down in Section 197 of the Companies Act, 2013.

**PERQUISITES CATEGORY - A**

(a) Medical benefit All medical expenses incurred for self and family shall be reimbursed, as per the policy of the Company.

- (b) Leave Travel Concession For self and family once in a year including one foreign trip in accordance with the rules of the Company.
- (c) Club fees Annual fees of club subject to maximum of two clubs. This will not include admission and life membership fees.
- (d) Personal Accident Insurance Personal Accident Insurance of an amount in accordance with the rules of the company.

**CATEGORY – B**

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent they are, either singly or put together not taxable under the Income-tax Act, 1961. Gratuity will be paid as per applicable laws and rules of the Company.

**CATEGORY – C**

The Company shall provide a car with driver for official and personal use. Telephone at residence will be provided, the cost of which will be borne by the Company. Mr. Asad Kagdi is liable to retire by rotation and shall not be paid any sitting fees for attending any meetings of Board or committees thereof.

Mr. Asad Kagdi has been associated with Hawa Group since 1999. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalized approach to the business and competitive spirit has helped towards the growth of the Group and its various businesses.

The Board of Directors felt that it is in interest of the Company to continue to avail services of Mr. Asad Kagdi as a Joint Managing Director of the Company. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

The Board of Directors recommends the said special resolution for your approval.

Brief resume and other details of Mr. Asad Kagdi are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Mr. Asad Kagdi is deemed to be interested in the said Special resolution as it relates to his re-appointment.

Mr. Aslam Kagdi being relative of Mr. Asad Kagdi is also interested in the said resolution.

None of the other Directors or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

The above may be treated as written memorandum setting out the terms of re-appointment of Mr. Asad Kagdi under Section 190 of the Companies Act, 2013.

**ITEM NO. 8**

The Nomination & Remuneration Committee at its meeting held on 8<sup>th</sup> February, 2019 recommended and the Board at its meeting held on 8<sup>th</sup> February, 2019 have re-appointed Mr. Mohammedkhan Pathan as a Whole Time Director of the Company for a further period three years w.e.f 8<sup>th</sup> February, 2019 on following terms and conditions, subject to the approvals of the shareholders in the General Meeting.

The brief particulars of re-appointment and remuneration payable to Mr. Mohammedkhan Pathan as Whole Time Director are as follows:

Period of Appointment : 3 years with effect from 08<sup>th</sup> February, 2019.

Salary : Monthly Salary which may not exceeding Rs. 2.5 Lakhs as may be decided by the Board of Directors or Nomination and Remuneration Committee, from time to time. The annual increment will be decided by the Nomination and Remuneration Committee of the Company. In the event of any loss, absence or inadequacy of profit of the Company in any financial year, the salary specified herein shall be payable as minimum salary.

Commission : Up to 2% of the Company's Net Profit for each financial year as calculated in accordance with Section 198 of the Companies Act, 2013 subject to the overall ceiling laid down in Section 197 of the Companies Act, 2013.

**PERQUISITES CATEGORY - A**

- (a) Medical benefit All medical expenses incurred for self and family shall be reimbursed, as per the policy of the Company.
- (b) Leave Travel Concession For self and family once in a year including one foreign trip in accordance with the rules of the Company.
- (c) Club fees Annual fees of club subject to maximum of two clubs. This will not include admission and life membership fees.
- (d) Personal Accident Insurance Personal Accident Insurance of an amount in accordance with the rules of the company.

**CATEGORY – B**

Contribution to Provident Fund and Superannuation Fund will not be included in the computation of the ceiling on perquisites to the extent they are, either singly or put together not taxable under the Income-tax Act, 1961. Gratuity will be paid as per applicable laws and rules of the Company.

**CATEGORY – C**

The Company shall provide a car with driver for official and personal use. Telephone at residence will be provided, the cost of which will be borne by the Company. Mr. Mohammed Khan Pathan is liable to retire by rotation and shall not be paid any sitting fees for attending any meetings of Board or committees thereof.

Mr. Mohammed Khan Pathan has been associated with Hawa Group since 2004. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalized approach to the business and competitive spirit has helped towards the growth of the Group and its various businesses.

The Board of Directors felt that it is in interest of the Company to continue to avail services of Mr. Mohammed Khan Pathan as a Whole Time Director of the Company. He is not disqualified from being re-appointed as Director in terms of Section 164 of the Act.

The Board of Directors recommends the said Special resolution for your approval.

Brief resume and other details of Mr. Mohammed Khan Pathan are provided in annexure to the Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Mr. Mohammed Khan Pathan is deemed to be interested in the said resolution as it relates to his re-appointment.

None of the other Directors or key managerial personnel or their relatives is, in any way, concerned or interested in the said resolution.

The above may be treated as written memorandum setting out the terms of re-appointment of Mr. Mohammed Khan Pathan under Section 190 of the Companies Act, 2013.

**ITEM No. 9**

Regulation 31A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations, 2015", effective from December, 2015) has provided a regulatory mechanism for re-classification of Promoters as Public shareholders subject to fulfillment of conditions as provided therein.

In this regard, the Company has received applications from the following promoter group person pursuant to Regulation 31A of the Listing Regulations, 2015 for re-classifying them under the Public Category since their names have been included as a part of the Promoter group.

They are not forming part of immediate relatives as per the definition of Promoter Group as provided in Regulation 2(1)(zb)(ii) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.

Sr. No.	Name of Promoters & Promoter Groups	No. of Equity Shares (Face Value of Rs.10/- each) held	% of Shares
1	SAJID SACHA	8912	0.25
2	SABERA HAWA	1100	0.03
3	GULAM HUSAIN KERIWALA	200	0.01
4	KHALIK YAHYABHAI HAWA	3310	0.09
5	HASEEB YUSUFBHAI KAPADIA	1545	0.04
6	MUJIBA HAWA	3900	0.11
7	FOWZIA HAWA	0	0
8	ZAFAR A HAWA	10459	0.3
9	B N PATHAN	13105	0.37
10	ABDULLAH M KAGDI	33400	0.95
11	AASIA A RANGOONWALA	28427	0.81
12	TARIQ A KUSIWALA	27900	0.79
13	WASIM M SHAIKH	27900	0.79
14	SOHEL SADIK MANIAR	25300	0.72
15	ASFAC MRANGOONWALA	71400	2.02
16	ZUBIR A KAGDI	48400	1.37
17	ZUNNUN HAWA	3100	0.09

The aforesaid shareholders are not connected, directly or indirectly whatsoever with any activity of the Company. The above referred shareholders do not directly or indirectly exercise control, over the affairs of the Company. They are also not holding any post of Key Managerial Personnel in the Company. They also do not have any special rights through formal or informal arrangements with the company or Promoters.

In view of the explanations given by the applicants as detailed above and in consideration to the conditions as stipulated in Regulation 31A of the Listing Regulations, 2015 the Board of Directors of the Company at their meeting held on June 27, 2019, have approved the applications for reclassification received by the Company as above from Promoter group category to Public category subject to approval by the members and relevant regulatory authorities. As required, intimation has been sent to Stock Exchange based on declaration received from the aforesaid persons.

None of the concerned persons, acting individually and in concert, directly or indirectly exercise control over the management and affairs of the Company. Their shareholding along with the persons acting in concert does not exceed 1% of the total share capital of the company.

Further as per Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the public shareholding as on the date of the notice fulfils the minimum public shareholding requirement of at least 25% and the proposed reclassification does not intend to increase the Public Shareholding to achieve compliance with the minimum public shareholding requirement.

Your Directors recommend the passing of the Resolution as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in anyway concerned or interested in this Resolution.

**By order of Board of Directors  
Hawa Engineers Limited**

Sd/-

**AslamKagdi  
Chairman**

**DIN: 00006879**

**Date :** 27<sup>th</sup> June, 2019

**Place :** Ahmedabad

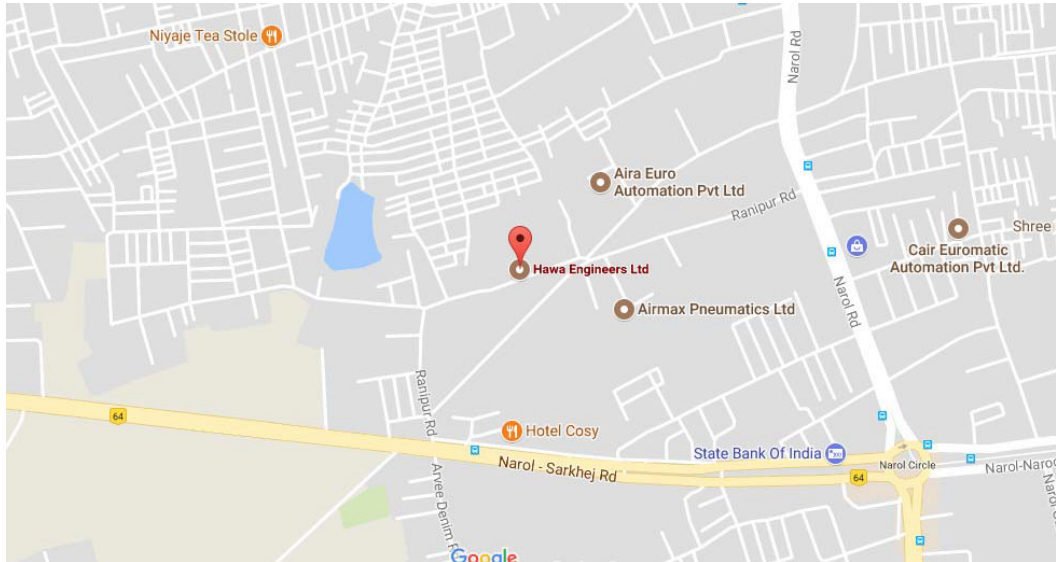
**Registered Office:**

Plot No. 129, Near Kashiram Textile Mill

Narol Road, Ahmedabad – 382405

CIN :L29120GJ1993PLC019199

## A Route map showing directions to reach the venue of the 26<sup>th</sup> Annual General Meeting



9Km from Ahmedabad Railway Station.

8Km from Ahmedabad Central Bus Station.

20Km from SardarVallabhbhai Patel International Airport.

## Board's Report

**To,  
The Members,  
Hawa Engineers Limited**

Your Directors have pleasure in presenting the Twenty Sixth Annual Report together with the Audited Statements of Accounts for the Year ended 31st March, 2019.

### FINANCIAL HIGHLIGHTS AND PERFORMANCE OF THE COMPANY

(Amounts in rupees)

Particulars	Year Ended 31/03/2019	Year Ended 31/03/2018
Revenue from Operations	50,50,26,568	55,18,81,620
Other Income	45,70,919	32,99,444
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	3,76,60,384	3,68,32,394
Less: Depreciation/ Amortisation/ Impairment	92,06,138	90,14,792
Profit /loss before Finance Costs, Exceptional items and Tax Expense	2,84,54,246	2,78,17,602
Less: Finance Costs	1,79,82,566	1,29,52,333
Profit /loss before Exceptional items and Tax Expense	1,04,71,680	1,48,65,269
Add/(less): Exceptional items	0	0
Profit /loss before Tax Expense	1,04,71,680	1,48,65,269
Less: Tax Expense (Current & Deferred)	31,15,712	50,91,611
Profit /loss for the year (1)	73,55,968	97,73,658
Total Comprehensive Income/loss (2)	0	0
Total (1+2)	73,55,968	97,73,658
Balance carried forward	9,63,18,643	8,88,33,428

### OPERATIONAL OVERVIEW

During the Year under review, the total revenue from operations (gross) of your Company stood at Rs. 50,50,26,568 as against Rs. 55,18,81,620 for FY 2017-18. However, Earnings before interest, tax, depreciation and amortization (EBITDA) were Rs. 3,76,60,384 registering a growth as against Rs. 3,68,32,394, in 2017-18. Profit after tax (PAT) for the year was Rs. 73,55,968 over the PAT of Rs. 97,73,658 in 2017-18. The movement of finished products from factory, arrangement of raw materials etc was satisfactory in comparison to previous financial year. The staff and workers put their sincere effort in the operation of the plant and achieving efficiency in the production level.

Your Directors have taken appropriate remedial action to mitigate the adverse circumstances and are hopeful of better performance and results during the current year.

Your Company has taken effective steps to improve its production and sales during the year under review.

### AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES

The Company proposes to transfer Rs. 75,00,000 to the general reserve out of the amount available for appropriation and an amount of Rs. 75,00,000 is proposed to be retained in the profit and loss account.

### DIVIDEND

The Company has made the profits during the year, but to conserve the resources, the Directors do not recommend Dividend this year.

### CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the company.



**MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR**

“There have been no material changes and commitments, which affect the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.”

**SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2019 is Rs. 3,52,64,000/- comprising of 35,26,400 shares of Rs. 10/- each. During the year under review, the Company has not issued any equity shares.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

DIN/DPID/ PAN	FULL NAME	DESIGNATION	DATE OF APPOINTMENT
00006879	Mr. Aslam Kagdi	Managing Director and CFO	01/06/2000
00006898	Mr. Asad Kagdi	Managing Director	26/03/1999
00006940	Mr. Mohammedkhan Pathan	Director	30/04/2004
01989939	Mr. Shad Mdafzal Ranginwala	Director	31/01/2008
06487724	Mr. Anwarahmed Mohammed Javid Daruwala	Director	15/02/2013
06967822	Mrs. Sabana Amjad Rehmani	Director	30/09/2014

Pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) Mr. Aslam Kagdi, (DIN: 00006879) Director & CFO of the Company is liable to retire by rotation at the ensuing AGM and being eligible offers himself for reappointment.

The Board of Directors in its meeting held 8<sup>th</sup> February, 2019, on the recommendations of the Nomination and Remuneration Committee (“NRC”), further recommends to the members of the Company to re-appointment of Mr. Aslam Kagdi, (DIN: 00006879), as director liable to retire by rotation.

Mr. Mahaboob Abdul Raheman Shaikh (DIN: 02378611) resigned as a Director of the Company w.e.f 18<sup>th</sup> May, 2018 due to pre-occupancy. The Board places on record the deep appreciation for valuable services and guidance provided by him during the tenure of his Directorship.

Mr. Mohammed Sajid Mehboobmiya Sacha (DIN: 03268965) resigned as a Director of the Company w.e.f 10<sup>th</sup> January, 2019 due to pre-occupancy. The Board places on record the deep appreciation for valuable services and guidance provided by him during the tenure of his Directorship.

Mr. Anwarahmed Mohammed Javid Daruwala, Mr. Shad Mdafzal Ranginwala and Mrs. Sabana Amjad Rehmani, Independent Directors of the Company will complete their term on 1<sup>st</sup> October, 2019. The Board of directors had on the recommendations of the NRC Re-appointed them in Board Meeting Held on 27<sup>th</sup> June, 2019, and placed the same for the approval of the members in the ensuing AGM, to re-appoint Mr. Anwarahmed Mohammed Javid Daruwala, Mr. Shad Mdafzal Ranginwala and Mrs. Sabana Amjad Rehmani as Independent Directors for a second term w.e.f. 1<sup>st</sup> October, 2019 for a period of five years upto 30<sup>th</sup> September, 2024.

The existing tenure of Mr. Aslam Kagdi as Managing Director, Mr. Asad Kagdi as Joint Managing Director and Mr. Mohammedkhan Pathan as Whole Time Director came to an end on 8<sup>th</sup> February, 2019. The Board of directors had, on the recommendations of the NRC and subject to the approval of the members in the ensuing AGM, re-appointed Mr. Aslam Kagdi as a Managing Director designated as CFO, Mr. Asad Kagdi as a Joint Managing Director and Mr. Mohammedkhan Pathan as a Whole Time Director w.e.f. 8<sup>th</sup> February, 2019 for a period of three years upto 7<sup>th</sup> February, 2022 as per the terms specified in the draft agreement to be placed before the ensuing AGM.

## **ANNUAL REPORT 2018-2019**

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Necessary resolutions for the appointment / re-appointment of the aforesaid directors and their detailed profiles have been included in the notice convening the ensuing AGM and details of the proposal for appointment / reappointment are mentioned in the explanatory statement of the notice.

Your directors commend their appointment / re-appointment.

All the directors of the Company have confirmed that they are not disqualified from being appointed as directors in terms of section 164 of the Companies Act, 2013.

During the year, Mrs. Bharti Rathi (ACS No. 42813) resigned as a Company Secretary of the Company w.e.f 14<sup>th</sup> November, 2018 due to personal reasons.

During the year, Ms. Shital Dalavadi (ACS No. 52448) appointed as a Company Secretary of the Company w.e.f 15<sup>th</sup> November, 2018.

Mr. Aslam Kagdi, Chief Financial Officer and Ms. Shital Dalavadi, Company Secretary was Key Managerial Personnel on 31<sup>st</sup> March, 2019.

### **A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149**

The Company has received Declaration from Mr. Shad Mdafzal Ranginwala, Mr. Anwarahmed Mohammed Javid Daruwala and Mrs. Sabana Amjad Rehmani, Independent Directors of the Company that they meet with the criteria of independence as prescribed under Sub-section (6) of Section 149 of the Companies Act, 2013 and Reg. 25 (8) & (9) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

### **NUMBER OF MEETINGS OF THE BOARD**

The Board met Four times during the Financial Year on 23<sup>rd</sup> May 2018, 14<sup>th</sup> August 2018, 14<sup>th</sup> November 2018 and 08<sup>th</sup> February 2019 the details of which are mentioned below the intervening gap between any two meetings was within the period prescribed under Companies Act, 2013.

### **DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE**

The Audit Committee consists of the following members:

1. Mr. Anwarahmed Mohammed Javid Daruwala, Chairman
2. Mr. Asad Kagdi, Member
3. Mr. Shad Mdafzal Ranginwala, Member

No. of Meeting of Audit Committee held during the year: 4

The Audit Committee met (4) Four times during the financial year on 23<sup>rd</sup> May 2018, 14<sup>th</sup> August 2018, 14<sup>th</sup> November 2018 and 08<sup>th</sup> February 2019.

### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION**

The Current Policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and separate its functions of Governance and Management. As on 31<sup>st</sup> March, 2019, the Board consists of 6 Directors, 3 of whom are Executive, Managing Director or Whole-time Directors, and 3 are Non-Executive Independent Directors. The Board periodically evaluates the need for change in its composition and size.

The policy of the Company on Director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of directors, and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013, adopted by Board, is available on Company website: [www.hawaengltd.com](http://www.hawaengltd.com).

### **FORMAL EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES OF THE BOARD AND INDIVIDUAL DIRECTORS**

Pursuant to the provisions of 134(3)(p) the Companies Act, 2013 the Board has carried out the annual evaluation of the performance of the Board, its Committees and of individual directors has been made. The

Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

#### **PARTICULARS OF EMPLOYEES**

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as Annexure-I.

The details as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 there is an employee (except Managing Director, CFO, CEO and CS) in the Company employed throughout the financial year and no employee has salary above Rs. 1 Crore 2 lacs per annum or employed in part of the financial year with average salary above Rs. 8.5 lacs per month.

The statement containing particulars of employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

#### **INTERNAL FINANCIAL CONTROLS**

The Companies Act, 2013 read with Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 re-emphasizes the need for an effective Internal Financial Control system in the Company which should be adequate and shall operate effectively. The Company has devised proper system of internal financial control which is commensurate with size and nature of Business.

#### **FRAUDS REPORTED BY THE AUDITOR**

During the Year under review, no frauds were reported by the Auditor (Statutory Auditor, Secretarial Auditor) to the Audit Committee/ Board.

#### **SUBSIDIARIES AND ASSOCIATES**

No disclosure under the provisions of the Companies Act, 2013 and Rules made there under is required by the Company as there is no Subsidiary, Associate or Joint Venture Company.

#### **DEPOSITS**

Your Company has not accepted any Deposits and, as much, no amount of principle or interest was outstanding as on date of Balance Sheet.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Loans, Guarantees and investments covered under Section 186 of the Companies Act, 2013 forms part of the notes to the financial statements provided in this Annual Report.

#### **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

#### **CORPORATE SOCIAL RESPONSIBILITY**

Section 135 of the Companies Act, 2013 and framed Rules thereunder provides that certain Companies are required to spend 2% of its average net profit during 3 preceding years on CSR activities. It also provides

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formation of CSR committee of the Board. The Rules prescribe the activities qualify under CSR and the manner of spending the amount. The company is not covered under section 135 of the Companies Act, 2013 and the Rules framed thereunder for the financial year under report. CSR Committee of the Board will be constituted at the time of applicability, of section 135 of the Act. Hence CSR report is no required to be annexed.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

#### A) CONSERVATION OF ENGERGY:

i. **Steps taken or impact on conservation of energy:**

Though the company is not a power intensive unit, it has always emphasized the importance of energy conservation at each stage of operation and is in the process of implementing all possible measures of minimizing power consumption.

ii. **Steps taken by the Company for utilizing alternative sources of energy:**

Not Applicable

iii. **Capital Investment on energy conservation equipments:**

Not Applicable

#### B) TECHNOLOGY ABSORPTION:

i. **Efforts made towards Technology Absorption:**

Our Company has successfully introduced the Investment Casting Process in steel and Stainless steel of various grades in the manufacturing of Valves. The company's products have been modernized to conform to international standards of API, BS and DIN.

ii. **the benefits derived like product improvement, cost reduction, product development or import substitution:**

Not Applicable

iii. **in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):**

Not Applicable

iv. **the expenditure incurred on Research and Development:**

Not Applicable

#### C) FOREIGN EXCHANGE EARNINGS AND OUTGOING:

Particulars	2018-19	2017-18
Foreign Exchange Earned	18,054,188/-	39,330,038/-
Foreign Exchange Out go	6,52,788/-	6,15,651/-

### RISK MANAGEMENT

Apart from normal business risk, no major risk is foreseen that in the opinion of the Board may threaten the existence of the Company. During the Year, the Board has decided that Audit Committee shall identify risk, assess, monitor, review and report the risk engaged in the business and shall also carry out the role of Risk Management.

### VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has established a vigil mechanism and overseas through the Committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the

interests of employees and the Company. The board has approved a policy for vigil mechanism which has been hosted on the website of the Company at [www.hawaengltd.com](http://www.hawaengltd.com) .

**AUDITORS AND AUDITORS' REPORT:**

Pursuant to the provision of Section 139 of the Companies Act, 2013 read with rules made thereunder, M/s. Yusuf C. Mansuri & Co., Chartered Accountants, Ahmedabad, (FRN. 111768W), were appointed as statutory Auditor of the Company to hold office till conclusion of the Annual General Meeting (AGM) of the Company to held in the year 2020.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Auditors' Report annexed to the financial statements for the year under review does not contain any qualifications.

**SECRETARIAL AUDITOR**

The Board has appointed M/s Chirag Shah & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2019 is annexed herewith marked as Annexure IV to this Report. One qualification is raised by the Secretarial Auditor in his Secretarial Audit Report for the year under review and the reply of the same is mentioned below in this Director's report.

**INTERNAL AUDITORS**

M/s Jaykishan Darji & Co., Chartered Accountants, Ahmedabad have been re-appointed as Internal Auditor of the Company in terms of Section 138 of the Companies Act, 2013 and rules made thereunder, from Financial Year 2019-20 by the Board of Directors, upon recommendation of the Audit Committee.

**EXPLANATIONS OR COMMENTS BY BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARK OR DISCLAIMER MADE**

- (i) by the auditor in his report; There is no qualification, reservation or adverse remark or disclaimer in audit report issued by the auditors of the Company.
- (ii) By the company secretary in practice in his secretarial audit report; Following qualification raised by the Secretarial Auditor in his Secretarial Audit Report:

Company has not complied with the provision of Regulation 31 of the Securities and Exchange Board of India (Listing Obligations and Disclosures and Requirement) Regulation 2015.

Reply of Director for above qualification raised by secretarial auditor:

Company is in process to make necessary compliance and company has informed the all the promoters to dematerialized it's all promoter shareholding pursuant to Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**SECRETARIAL STANDARDS**

Your Company is in compliance with the provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India in terms of the Companies Act, 2013.

**EXTRACT OF ANNUAL RETURN**

As provided under Section 92(3) of the Act, the extract of Annual Return as provided under Section 92(3) of the Act, the extract of annual return is given in Annexure II in the prescribed Form MGT-9, which forms part of this report. The Extract of Annual Return in Form No. MGT 9 is available on the website of the Company at [www.hawaengltd.com](http://www.hawaengltd.com).

**HUMAN RESOURCE:**

The company has continued to maintain harmonious and cordial relations with its officers, supervisors and workers enabling the Company to maintain the pace of growth. Training is imparted to employees at all levels and covers both technical and behavioral aspects.

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## **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures.
- b. ii. It has in the selection of the accounting policies, consulted the Statutory Auditors and has applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as at 31st March, 2019 and of the profit or loss of the company for that period.
- c. It has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, to the best of its knowledge and ability.
- d. It has prepared the annual accounts on a going concern basis.
- e. The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating efficiently.
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

That proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **FORMAL ANNUAL EVALUATION**

The Board of Directors has carried out an annual evaluation of the performance of the Board, its committees and of individual directors has been made pursuant to the requirements of the Act and the Listing Regulations.

## **FAMILIARISATION PROGRAMME**

The Company undertook various steps to make the Independent Directors have full understanding about the Company. The details of such familiarisation programmes have been disclosed on the Company's website: [www.hawaengltd.com](http://www.hawaengltd.com)

## **PREVENTION OF INSIDER TRADING**

In January 2015, SEBI notified the SEBI (Prohibition of insider trading) Regulations, 2015 which came into effect from May 15, 2015. Pursuant thereto, the Company has formulated and adopted a new Code for Prevention of Insider Trading.

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Directors and the designated employees have confirmed compliance with the Code.

## **CORPORATE GOVERNANCE**

As provided under Regulation 15(2) of the SEBI (LODR) Regulations, 2015, the compliance with Corporate Governance as specified in Regulation 17 to 27, 46(2)(b) to (i) & para c, d & e of Schedule V are not applicable to the Company as paid up share capital doesn't exceed ` 10 Crore.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In accordance with the SEBI (Listing Obligation and Requirement) Regulations, 2015, the Management Discussion and Analysis Report are annexed to this Report as Annexure-III.

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**BUSINESS RISK MANAGEMENT**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & under regulation 21 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, At present the company has not identified any element of risk which may threaten the existence of the company.

**DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2018-19 and the date of this Report.

**DISCLOSURE REGARDING MAINTENANCE OF COST RECORDS**

The Company has not maintained cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 as the said provision is not applicable to Company.

**DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made there under. Your Company has constituted an Internal Complaints Committee across its commercial offices and Manufacturing sites.

There were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

**ACKNOWLEDGEMENT**

The Directors wish to convey their gratitude and appreciation to all of the Company's employees for their tremendous personal efforts as well as their collective dedication and contribution to the Company's performance.

The Directors would also like to thank the employee unions, shareholders, customers, dealers, suppliers, bankers, government and all other business associates for their continued support extended to the Company and the Management.

**For and on behalf of the Board of Directors**

**Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2019**

**Sd/-  
Aslam Kagdi  
Chairman and Managing Director  
DIN: 00006879**



**Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2018-19:**

<b>Name of Directors/ KMP</b>	<b>Ratio of Remuneration to median Remuneration of Employees</b>	<b>% increase in remuneration in the Financial Year</b>
<b>Executive Directors</b>		
Aslam Kagdi (MD & CFO)	8.70:1	33.33
Asad Kagdi	8.70:1	33.33
Mohammed khan Pathan	4.35:1	NIL
<b>Non – Executive Directors</b>		
Sabana Amjad Rehmani	-	-
Shad Mdafzal Ranginwala	-	N.A.
Anwarahmed Mohammed Javid Daruwala	-	-

- ii. **The percentage increase in the median remuneration of employees in the financial year:** NIL
- iii. **The number of permanent employees on the rolls of Company:** 97
- iv. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
- Average increase in remuneration of employees excluding KMPs: **16.85**
  - Average increase in remuneration of KMPs: **33.33 %**
  - KMP salary increases are decided based on the Company's performance, individual performance, inflation, prevailing industry trends and benchmarks.
- v. **Affirmation that the remuneration is as per the remuneration policy of the Company:**
- The Company affirms remuneration is as per the Remuneration Policy of the Company.

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2019

[Pursuant to section 204(1) of the Companies Act, 2013 and rule

No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**Hawa Engineers Ltd**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hawa Engineers Ltd (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's (books, papers, minute books, forms and returns filed and other records maintained by the company) and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (upto November 10, 2018) and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (w.e.f. November 11, 2018);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not Applicable during the audit period);**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable during the audit period);**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not Applicable during the audit period);**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (up to September 10, 2018) and The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018 (w.e.f. September 11, 2018) (Not Applicable to the Company during the Audit Period); **(Not Applicable during the audit period);**

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- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures and Requirement) Regulation 2015; *However Company has not Complied with the provision of Regulation 31 of The Securities and Exchange Board of India (Listing Obligations and Disclosures and Requirement) Regulation 2015.*
- (j) Other laws specifically applicable to the company, as per the representation made by the company.
  - 1. Factories Act, 1948
  - 2. Gujarat Pollution Control Board (Environment Pollution Act)

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), - BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For, Chirag Shah and Associates**

**Chirag Shah**

**Partner**

**M. No. FCS 5545**

**C P No. 3498**

**Place : Ahmedabad**

**Date : 27<sup>th</sup> May, 2019**

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

To,  
The Members  
Hawa Engineers Ltd

Our Secretarial Audit Report of even date is to be read along with this letter.

**Management's Responsibility**

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

**Disclaimer**

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For, Chirag Shah and Associates**

**Chirag Shah**

**Partner**

**M. No. FCS 5545**

**C P No. 3498**

**Place : Ahmedabad**

**Date : 27<sup>th</sup> May, 2019**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013

and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L29120GJ1993PLC019199
2	Registration Date	Friday, March 26, 1993
3	Name of the Company	HAWA ENGINEERS LTD
4	Category/Sub-category of the Company	Company limited by Shares / Indian Non-Government Company
5	Address of the Registered office & contact details	PLOT NO.129, Near Kashiram Textile Mill, Narol Road, Ahmedabad- 382405 Gujarat Telephone : 079-25320781 Email address: cs@hawaengltd.com Website: www.hawaengltd.com
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt. Ltd A-802, Samudra Complex, off C G Road, Navrangpura, Near Girish Cold Drinks, Ahmedabad 380009 Email Id: bssahd2@bigshareonline.com Contact No.079 40024135

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Manufacture of engines and turbines, except aircraft, vehicle and cycle	281	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	N.A.				
2					

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### IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

#### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2018]				No. of Shares held at the end of the year [As on 31st March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	13,35,693	5,92,667	19,28,360	54.68%	13,68,541	5,78,024	19,46,565	55.20%	0.52%
b) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (1)	13,35,693	5,92,667	19,28,360	54.68%	13,68,541	5,78,024	19,46,565	55.20%	0.52%
(2) Foreign									
a) NRI Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Other Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Bodies Corp.	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) Any other	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub Total (A) (2)	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>TOTAL (A)</b>	<b>13,35,693</b>	<b>5,92,667</b>	<b>19,28,360</b>	<b>54.68%</b>	<b>13,68,541</b>	<b>5,78,024</b>	<b>19,46,565</b>	<b>55.20%</b>	<b>0.52%</b>
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)									
<b>Sub-total (B)(1):-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00%</b>	<b>0.00%</b>

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1st April, 2018]				No. of Shares held at the end of the year [As on 31st March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	818	40,400	41,218	1.17%	1,418	91,300	92,718	2.63%	1.46%
ii) Overseas	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Individuals	-	-	-		-	-	-		
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	2,21,119	7,72,023	9,93,142	28.16%	2,36,741	6,65,566	9,02,307	25.59%	-2.57%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3,44,474	2,11,400	5,55,874	15.76%	3,53,301	2,13,200	5,66,501	16.06%	0.30%
c) Others (specify	-	-	-		-	-	-		
Non Resident Indians	439	-	439	0.01%	136	-	136	0.00%	-0.01%
Overseas Corporate Bodies	-	-	-	0.00%	-	-	-	0.00%	0.00%
Foreign Nationals	-	-	-	0.00%	-	-	-	0.00%	0.00%
Clearing Members	2,360	-	2,360	0.07%	18,173	-	18,173	0.52%	0.45%
HUF	5,007	-	5,007	0.14%	-	-	-	0.00%	-0.14%
Foreign Bodies - D R	-	-	-	0.00%	-	-	-	0.00%	0.00%
<b>Sub-total (B)(2):-</b>	<b>5,74,217</b>	<b>10,23,823</b>	<b>15,98,040</b>	<b>45.32%</b>	<b>6,09,769</b>	<b>9,70,066</b>	<b>15,79,835</b>	<b>44.80%</b>	<b>-0.52%</b>
<b>Total Public (B)</b>	<b>5,74,217</b>	<b>10,23,823</b>	<b>15,98,040</b>	<b>45.32%</b>	<b>6,09,769</b>	<b>9,70,066</b>	<b>15,79,835</b>	<b>44.80%</b>	<b>-0.52%</b>
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
<b>Grand Total (A+B+C)</b>	<b>19,09,910</b>	<b>16,16,490</b>	<b>35,26,400</b>	<b>100.00%</b>	<b>19,78,310</b>	<b>15,48,090</b>	<b>35,26,400</b>	<b>100.00%</b>	<b>0.00%</b>



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**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Fazlurehman Mohammedmiya Kagdi	1,03,800	2.94%	-	1,07,814	3.06%	-	0.12%
2	Mohammed Fazlurrehman Kagdi	1,14,923	3.26%	-	1,14,923	3.26%	-	0.00%
3	Jamilabibi Fazlurrehman Kagdi	2,09,700	5.95%	-	2,09,700	5.95%	-	0.00%
4	Aslam F Kagdi	1,81,781	5.15%	-	1,83,581	5.21%	-	0.06%
5	Asad F Kagdi	1,72,700	4.90%	-	1,72,462	4.89%	-	-0.01%
6	Aaminah Mohamed Zakaria Kagdi	1,73,100	4.91%	-	1,73,100	4.91%	-	0.00%
7	Sajid Sacha	6,082	0.17%	-	8,912	0.25%	-	0.08%
8	Sabera Hawa	1,100	0.03%	-	1,100	0.03%	-	0.00%
9	Safiya Keriwala	91,500	2.59%	-	91,500	2.59%	-	0.00%
10	Gulam Husain Keriwala	200	0.01%	-	200	0.01%	-	0.00%
11	Kagadi Mohamedilyas Asad	62,250	1.77%	-	66,420	1.88%	-	0.11%
12	Khalik Yahyabhai Hawa	2,310	0.07%	-	3,310	0.09%	-	0.02%
13	Haseeb Yusufbhai Kapadia	4,000	0.11%	-	1,545	0.04%	-	-0.07%
14	Mujiba Hawa	3,900	0.11%	-	3,900	0.11%	-	0.00%
15	Ibrahim M Kagdi	3,400	0.10%	-	21,451	0.61%	-	0.51%
16	Zunnun Hawa	3,100	0.09%	-	3,100	0.09%	-	0.00%
17	Ismail Keriwala	2,500	0.07%	-	2,500	0.07%	-	0.00%
18	Fowzia Hawa	2,500	0.07%	-	-	0.00%	-	-0.07%
19	Humaira Mohammed Kagdi	24,200	0.69%	-	19,087	0.54%	-	-0.15%
20	Sufiyan A Payawala	43,200	1.23%	-	43,200	1.23%	-	0.00%
21	Kagdi Sumaiya Aslam	9,500	0.27%	-	9,100	0.26%	-	-0.01%
22	Zafar A Hawa	10,459	0.30%	-	10,459	0.30%	-	0.00%
23	B N Pathan	14,803	0.42%	-	13,105	0.37%	-	-0.05%
24	Abdullah M Kagdi	33,400	0.95%	-	33,400	0.95%	-	0.00%
25	Aasia A Rangoonwala	28,000	0.79%	-	28,427	0.81%	-	0.02%
26	Tariq A Kusiwala	27,900	0.79%	-	27,900	0.79%	-	0.00%
27	Wasim M Shaikh	27,900	0.79%	-	27,900	0.79%	-	0.00%
28	Sohel Sadik Maniar	25,300	0.72%	-	25,300	0.72%	-	0.00%
29	M N Pathan	24,900	0.71%	-	24,900	0.71%	-	0.00%
30	Tehseen Mohammedasad Kagdi	1,11,052	3.15%	-	1,11,052	3.15%	-	0.00%
31	Asfak Mrangoonwala	78,000	2.21%	-	71,400	2.02%	-	-0.19%
32	Sarah Aslam Kagdi	1,73,000	4.91%	-	1,73,000	4.91%	-	0.00%
33	M Zakariya Kagdi	56,200	1.59%	-	61,117	1.73%	-	0.14%
34	Siddiqua Aslam Kagdi	53,300	1.51%	-	53,300	1.51%	-	0.00%
35	Zubir A Kagdi	48,400	1.37%	-	48,400	1.37%	-	0.00%

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	<b>FAZLUREHMAN MOHAMMEDMIYA KAGDI</b>						
	At the beginning of the year			1,03,800	2.94%	1,03,800	2.94%
	Changes during the year		Transfer	4,014	0.11%	1,07,814	3.06%
	At the end of the year			1,07,814	3.06%	1,07,814	3.06%
2	<b>MOHAMMED FAZLURREHMAN KAGDI</b>						
	At the beginning of the year			1,14,923	3.26%	1,14,923	3.26%
	Changes during the year		Transfer	-	0.00%	1,14,923	3.26%
	At the end of the year			1,14,923	3.26%	1,14,923	3.26%
3	<b>JAMILABIBI FAZLURREHMAN KAGDI</b>						
	At the beginning of the year			2,09,700	5.95%	2,09,700	5.95%
	Changes during the year		Transfer	-	0.00%	2,09,700	5.95%
	At the end of the year			2,09,700	5.95%	2,09,700	5.95%
4	<b>ASLAM F KAGDI</b>						
	At the beginning of the year		1,81,781	5.15%	1,81,781	5.15%	
	Changes during the year		Transfer	1,800	0.05%	1,83,581	5.21%
	At the end of the year		1,83,581	5.21%	1,83,581	5.21%	
5	<b>ASAD F KAGDI</b>						
	At the beginning of the year			1,72,700	4.90%	1,72,700	4.90%
	Changes during the year		Transfer	-238	-0.01%	1,72,462	4.89%
	At the end of the year			1,72,462	4.89%	1,72,462	4.89%
6	<b>AAMINAH MOHAMED ZAKARIA KAGDI</b>						
	At the beginning of the year			1,73,100	4.91%	1,73,100	4.91%
	Changes during the year		Transfer	-	0.00%	1,73,100	4.91%
	At the end of the year			1,73,100	4.91%	1,73,100	4.91%
7	<b>SAJID SACHA</b>						
	At the beginning of the year			6,082	0.17%	6,082	0.17%
	Changes during the year		Transfer	2,830	0.08%	8,912	0.25%
	At the end of the year			8,912		8,912	0.25%
8	<b>SABERA HAWA</b>						
	At the beginning of the year			1,100	0.03%	1,100	0.03%
	Changes during the year		Transfer	-	0.00%	1,100	0.03%
	At the end of the year			1,100	0.03%	1,100	0.03%
9	<b>SAFIYA KERIWALA</b>						
	At the beginning of the year			91,500	2.59%	91,500	2.59%
	Changes during the year		Transfer	-	0.00%	91,500	2.59%
	At the end of the year			91,500	2.59%	91,500	2.59%

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SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
10	<b>GULAM HUSAIN KERIWALA</b>						
	At the beginning of the year			200	0.01%	200	0.01%
	Changes during the year		Transfer	-	0.00%	200	0.01%
	At the end of the year			200	0.01%	200	0.01%
11	<b>KAGADI MOHAMEDILYAS ASAD</b>						
	At the beginning of the year			62,250	1.77%	62,250	1.77%
	Changes during the year		Transfer	4,170	0.12%	66,420	1.88%
	At the end of the year			66,420	1.88%	66,420	1.88%
12	<b>KHALIK YAHYABHAI HAWA</b>						
	At the beginning of the year			2,310	0.07%	2,310	0.07%
	Changes during the year		Transfer	1,000	0.03%	3,310	0.09%
	At the end of the year			3,310	0.09%	3,310	0.09%
13	<b>HASEEB YUSUFBHAI KAPADIA</b>						
	At the beginning of the year			4,000	0.11%	4,000	0.11%
	Changes during the year		Transfer	-2,455	-0.07%	1,545	0.04%
	At the end of the year			1,545	0.04%	1,545	0.04%
14	<b>MUJIBA HAWA</b>						
	At the beginning of the year			3,900	0.11%	3,900	0.11%
	Changes during the year		Transfer	-	0.00%	3,900	0.11%
	At the end of the year			3,900	0.11%	3,900	0.11%
15	<b>IBRAHIM M KAGDI</b>						
	At the beginning of the year			3,400	0.10%	3,400	0.10%
	Changes during the year		Transfer	18,051	0.51%	21,451	0.61%
	At the end of the year			21,451	0.61%	21,451	0.61%
16	<b>ZUNNUN HAWA</b>						
	At the beginning of the year			3,100	0.09%	3,100	0.09%
	Changes during the year		Transfer	-	0.00%	3,100	0.09%
	At the end of the year			3,100	0.09%	3,100	0.09%
17	<b>ISMAIL KERIWALA</b>						
	At the beginning of the year			2,500	0.07%	2,500	0.07%
	Changes during the year		Transfer	-	0.00%	2,500	0.07%
	At the end of the year			2,500	0.07%	2,500	0.07%
18	<b>FOWZIA HAWA</b>						
	At the beginning of the year			2,500	0.07%	2,500	0.07%
	Changes during the year		Transfer	-2,500	-0.07%	-	0.00%
	At the end of the year			-	0.00%	-	0.00%

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
19	<b>HUMAIRA MOHAMMED KAGDI</b>						
	At the beginning of the year			24,200	0.69%	24,200	0.69%
	Changes during the year		Transfer	-5,113	-0.14%	19,087	0.54%
	At the end of the year			19,087	0.54%	19,087	0.54%
20	<b>SUFYAN A PAYAWALA</b>						
	At the beginning of the year			43,200	1.23%	43,200	1.23%
	Changes during the year		Transfer	-	0.00%	43,200	1.23%
	At the end of the year			43,200	1.23%	43,200	1.23%
21	<b>KAGDI SUMAIYA ASLAM</b>						
	At the beginning of the year			9,500	0.27%	9,500	0.27%
	Changes during the year		Transfer	-400	-0.01%	9,100	0.26%
	At the end of the year			9,100	0.26%	9,100	0.26%
22	<b>ZAFAR A HAWA</b>						
	At the beginning of the year			10,459	0.30%	10,459	0.30%
	Changes during the year		Transfer	-	0.00%	10,459	0.30%
	At the end of the year			10,459	0.30%	10,459	0.30%
23	<b>B N PATHAN</b>						
	At the beginning of the year			14,803	0.42%	14,803	0.42%
	Changes during the year		Transfer	-1,698	-0.05%	13,105	0.37%
	At the end of the year			13,105	0.37%	13,105	0.37%
24	<b>ABDULLAH M KAGDI</b>						
	At the beginning of the year			33,400	0.95%	33,400	0.95%
	Changes during the year		Transfer	-	0.00%	33,400	0.95%
	At the end of the year			33,400	0.95%	33,400	0.95%
25	<b>AASIA A RANGOONWALA</b>						
	At the beginning of the year			28,000	0.79%	28,000	0.79%
	Changes during the year		Transfer	427	0.01%	28,427	0.81%
	At the end of the year			28,427	0.81%	28,427	0.81%
26	<b>TARIQ A KUSIWALA</b>						
	At the beginning of the year			27,900	0.79%	27,900	0.79%
	Changes during the year		Transfer	-	0.00%	27,900	0.79%
	At the end of the year			27,900	0.79%	27,900	0.79%
27	<b>WASIM M SHAIKH</b>						
	At the beginning of the year			27,900	0.79%	27,900	0.79%
	Changes during the year		Transfer	-	0.00%	27,900	0.79%
	At the end of the year			27,900	0.79%	27,900	0.79%

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SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
28	<b>SOHEL SADIK MANIAR</b>						
	At the beginning of the year			25,300	0.72%	25,300	0.72%
	Changes during the year		Transfer	-	0.00%	25,300	0.72%
	At the end of the year			25,300	0.72%	25,300	0.72%
29	<b>M N PATHAN</b>						
	At the beginning of the year			24,900	0.71%	24,900	0.71%
	Changes during the year		Transfer	-	0.00%	24,900	0.71%
	At the end of the year			24,900	0.71%	24,900	0.71%
30	<b>TEHSEEN MOHAMMEDASAD KAGDI</b>						
	At the beginning of the year			1,11,052	3.15%	1,11,052	3.15%
	Changes during the year		Transfer	-	0.00%	1,11,052	3.15%
	At the end of the year			1,11,052	3.15%	1,11,052	3.15%
31	<b>ASFAK MRANGOONWALA</b>						
	At the beginning of the year			78,000	2.21%	78,000	2.21%
	Changes during the year		Transfer	-6,600	-0.19%	71,400	2.02%
	At the end of the year			71,400	2.02%	71,400	2.02%
32	<b>SARAH ASLAM KAGDI</b>						
	At the beginning of the year			1,73,000	4.91%	1,73,000	4.91%
	Changes during the year		Transfer	-	0.00%	1,73,000	4.91%
	At the end of the year			1,73,000	4.91%	1,73,000	4.91%
33	<b>M ZAKARIYA KAGDI</b>						
	At the beginning of the year			56,200	1.59%	56,200	1.59%
	Changes during the year		Transfer	4,917	0.14%	61,117	1.73%
	At the end of the year			61,117	1.73%	61,117	1.73%
34	<b>SIDDIQUA ASLAM KAGDI</b>						
	At the beginning of the year			53,300	1.51%	53,300	1.51%
	Changes during the year		Transfer	-	0.00%	53,300	1.51%
	At the end of the year			53,300	1.51%	53,300	1.51%
35	<b>ZUBIR A KAGDI</b>						
	At the beginning of the year			48,400	1.37%	48,400	1.37%
	Changes during the year		Transfer	-	0.00%	48,400	1.37%
	At the end of the year			48,400	1.37%	48,400	1.37%

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr No.	For each of the top 10 Shareholders	Shareholding at the beginning of the year [As on 01/04/2018]		Increase/ Decrease in shareholding during the Year	Cumulative Shareholding during the year [01.04.2018 to 31.03.2019]			
1	<b>Bishma Mohammed Ilyas Kagdi</b>	125700	3.56	01-04-18	-	-	125700	3.56
				09.11.2018	-125700	Transfer	0	0
				21.12.2018	125700	Transfer	125700	3.56
		125700	3.56	31.03.2019	-	-	125700	3.56
2	<b>Vijay V Mehta</b>	60000	1.7	01-04-18	-	-	60000	1.7
		60000	1.7	31-03-19	-	-	60000	1.7
3	<b>Shamsuddin Kadri</b>	52100	1.48	01-04-18	-	-	52100	1.48
		52100	1.48	31-03-19	-	-	52100	1.48
4	<b>Zaid Asad Kagdi</b>	48845	1.39	01-04-18	-	-	48845	1.39
				09.11.2018	-48545	Transfer	300	0.01
				21.12.2018	48545	Transfer	48845	1.39
				01.03.2019	1929	Transfer	50774	1.44
		50774	1.44	31.03.2019	-	-	50774	1.44
5	<b>Mohammedkasam Abdulkadar Rusnawala</b>	48624	1.38	01-04-18	-	-	48624	1.38
				09.11.2018	-48624	Transfer	0	0
				21.12.2018	48624	Transfer	48624	1.38
		48624	1.38	30.03.2019	-	-	48624	1.38
6	<b>Fazal Alimiya Kagdi Mohd</b>	44135	1.25	01-04-18	-	-	44135	1.25
				09.11.2018	-4010	Transfer	40125	1.14
				21.12.2018	4010	Transfer	44135	1.25
				18.01.2019	-10	Transfer	44125	1.25
				22.02.2019	-136	Transfer	43989	1.25
				22.03.2019	500	Transfer	44489	1.26
		44489	1.26	30.03.2019	-	-	44489	1.26
7	<b>Ashutosh Lease Financing Ltd</b>	33700	0.96	01-04-18	-	-	33700	0.96
		33700	0.96	31-03-19	--	-	33700	0.96
8	<b>Azhar M Rushnawala</b>	54200	1.54	01-04-18	-	-	54200	1.54
		54200	1.54	31-03-19	-	-	54200	1.554
9	<b>Faiyaz Mohd Aiyub Kothawala</b>	28220	0.8	01-04-18	-	-	28220	0.8
				09-11-18	-28220	Transfer	0	0
				21.12.2018	28220	Transfer	28220	0.8
				01.03.2019	50	Transfer	28270	0.8
		28270	0.8	31.03.2019	-	-	28270	0.8
10	<b>Mustakina Payawala</b>	28000	0.79	01.04.2018	-	-	28000	0.79

**ANNUAL REPORT 2018-2019****V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment.**

(Amt. Rs.)

<b>Particulars</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	7,08,78,992.56	63,23,959.00	-	7,72,02,951.56
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>7,08,78,992.56</b>	<b>63,23,959.00</b>	<b>-</b>	<b>7,72,02,951.56</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	20,15,15,221.26	29,76,000.00		20,44,91,221.26
* Reduction	19,93,56,844.97	47,07,413.00		20,40,64,257.97
<b>Net Change</b>	<b>21,58,376.29</b>	<b>(17,31,413.00)</b>	<b>-</b>	<b>4,26,963.29</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	7,30,37,368.85	45,92,546.00		7,76,29,914.85
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-	-		-
<b>Total (i+ii+iii)</b>	<b>7,30,37,368.85</b>	<b>45,92,546.00</b>	<b>-</b>	<b>7,76,29,914.85</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount (Rs.)
		Name	ASLAM KAGDI	ASAD KAGDI	MOHAMMED KHAN PATHAN	
		Designation				
1	Gross salary	12,00,000	12,00,000	6,00,000		30,00,000.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-
	<b>Total (A)</b>	<b>12,00,000.00</b>	<b>12,00,000.00</b>	<b>6,00,000.00</b>	<b>-</b>	<b>30,00,000.00</b>
	<b>Ceiling as per the Act</b>					

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs.)
	<b>Name</b>				
1	Independent Directors	NIL			
	Fee for attending board committee meetings	-			
	Commission	-			
	Others, please specify	-			
	<b>Total (1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
2	Other Non-Executive Directors	-			
	Fee for attending board committee meetings	-			
	Commission	-			
	Others, please specify	-			
	<b>Total (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)=(1+2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Managerial Remuneration</b>	<b>-</b>			<b>30,00,000.00</b>
	<b>Overall Ceiling as per the Act</b>				

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD**

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs.)
		Name	Aslam Kagdi	Bharti Rathi	
		Designation	CFO	Company Secretary	
1	Gross salary	0	1,10,000		1,10,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-		-
2	Stock Option	-	-		-
3	Sweat Equity	-	-		-
4	Commission	-	-		-
	- as % of profit	-	-		-
	- others, specify	-	-		-
5	Others, please specify	-	-		-
	<b>Total</b>	-	<b>1,10,000.00</b>	-	<b>1,10,000.00</b>

\* Mr Aslam Kagdi not getting any remuneration as CFO

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			<b>NIL</b>		
Punishment					
Compounding					

## MANAGEMENT DISCUSSION AND ANALYSIS

### KEY FINANCIAL RATIO

Pursuant to amendment made in Schedule V to the SEBI Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations therefore are given below:

Sr	Particulars	F.Y. 2018-19	F.Y. 2017-18	% Changes
	<b>PROFITABILITY RATIOS (%)</b>			
1	Operating Profit Margin	5.63	4.89	15.13
2	Net Profit Margin	2.07	2.61	-20.69
3	Return on Net Worth	5.59	7.88	-29.06
	<b>WORKING CAPITAL RATIOS</b>			
4	Debtors Turnover	7.04	5.90	19.32
5	Inventory Turnover	5.62	6.20	-9.35
	<b>GEARING RATIOS</b>			
6	Interest Coverage	1.58	1.87	-15.51
7	Debt / Equity	6.57	7.24	-9.25
	<b>LIQUIDITY RATIO</b>			
8	Current Ratio	1.71	1.66	3.01

Return on Net worth ration is decreased due to decreases in total income.

### VALVE INDUSTRY STRUCTURE AND DEVELOPMENTS:

Valves are used to control or divert the flow of liquids, gases, slurries, dry material or steam in all types of industries. They are also used to control or isolate the rate of flow volume, pressure, direction or a combination of these parameters. There are only two known ways of controlling the flow of liquids and gases, and all valves are based on one of the two principles. Your Company's primary business is the design, manufacture and sale of Industrial valves, valve cores and accessories.

According to the recently published report by TechSci Research, "India Industrial Valves Market Forecast & Opportunities, 2020", India's industrial valves market is largely dominated by organized manufacturers and is expected to witness double digit growth at a CAGR (Compound Annual Growth Rate) of 13% till 2020. The growth in this region will be driven mostly by new infrastructure and heavy industrial spending. More power plants will be built in this region in the next five years than in the rest of the world combined.

Industrial valves market is being driven by increasing demand for valves in oil & gas, chemical and municipal applications. The market is expected to grow at a CAGR of 5.4% between 2014 and 2019. Therefore, with an expected growth in the oil and gas, power, pipeline, steel, infrastructure, petrochemicals and pharmaceutical industries, the demand for valves are also expected to gather steam. Valve companies are finding many new opportunities for their products. Applications with double-digit growth include ethanol, LNG, desalination, and biotechnology. Alternative fuel sources including oil sands, oil shale and coal liquefaction also represent promising markets.

The Global Process industry is growing at a rapid rate, which in turn is creating more opportunities for the Indian Industrial Valve market. Thus the demand for industrial valves increases along with the growth of the Process industries.

### OPPORTUNITIES AND THREATS:

Although the general economic environment is not conducive for strong growth, your Company has a competitive advantage in the market due to its superior technology, large installed capacities in all product

categories, high quality products, competitive pricing etc. The market scenario in India is likely to continue to be subdued in the year ahead. Under these circumstances, payments from some customers can tend to be delayed. This can adversely affect cash-flows and can put an additional interest burden on the Company due to increased utilization of working capital. The primary raw materials used in manufacturing valves are highly volatile commodities, namely brass which is a Carbon Steel, Alloy Steel & Stainless Steel. Continued volatility in the prices of these commodities can pose a threat to profitability.

The Company's continued emphasis on technology-based investments would enable the Company to meet the competitive environment by way of productivity enhancement and cost reduction measure.

**SEGMENT-WISE PERFORMANCE:**

There is no segment in the company.

**OUTLOOK:**

Indian valve industry has come a long way from making simple valves to producing a wide range of sophisticated precision valves. But the Indian valve space is as fragmented as the Global Valve Industry. Most of the industry is dominated by small and medium scale players with heavy dependence on sub contractors and a large part of the market consists of the unorganized sector.

The pumps and valves market in India provides an opportunity of Rs. 17,500 crore and is expected to grow at an annual rate of 7 to 10 per cent over the next few years. The new government in the centre is expected to take policy initiatives that will help the Indian industry.

**RISKS AND CONCERNS:**

Apart from the normal business risk, no major risk is foreseen.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has proper and adequate systems of internal controls. Internal audits and checks are carried out at regular intervals. An audit committee, headed by an Independent Director, reviews control systems and their adequacy.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The details of the financial performance of the Company appear in the Balance Sheet, Statement of Profit and Loss and other Financial Statements. Highlights for the year 2018-19 are as under:

<b>Particulars</b>	<b>Year Ended 31/03/2019</b>	<b>Year Ended 31/03/2018</b>
Revenue from Operations	50,50,26,568	55,18,81,620
Other Income	45,70,919	32,99,444
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	3,76,60,384	3,68,32,394
Less: Depreciation/ Amortisation/ Impairment	92,06,138	90,14,792
Profit /loss before Finance Costs, Exceptional items and Tax Expense	2,84,54,246	2,78,17,602
Less: Finance Costs	1,79,82,566	1,29,52,333
Profit /loss before Exceptional items and Tax Expense	1,04,71,680	1,48,65,269
Add/(less): Exceptional items	0	0
Profit /loss before Tax Expense	1,04,71,680	1,48,65,269
Less: Tax Expense (Current & Deferred)	31,15,712	50,91,611
Profit /loss for the year (1)	73,55,968	97,73,658
Total Comprehensive Income/loss (2)	0	0
Total (1+2)	73,55,968	97,73,658
Balance carried forward	9,63,18,643	8,88,33,428

The financial performance of the Company has been explained in the Directors' Report of the Company for the financial year ended 31<sup>st</sup> March 2019 appearing separately.

#### **HUMAN RESOURCES**

Human Resources are a key focus area of the Company. The Company endeavors to attract and develop the best talent available in each area of its operations. The Company's policy is to create a conducive environment for nurturing talent and developing the requisite skills needed to keep pace with the ever-changing needs of the market. Training is imparted to employees at all levels and covers both technical and behavioral aspects.

The Industrial Relations scenario during the year under review was smooth. The Company has an excellent track record in this regard and has maintained cordial relationships with all its employees.

#### **CAUTIONARY STATEMENT**

Certain statements in the Management Discussion and Analysis describing the Company's views about the industry, expectations, objectives, etc. may be forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed in the statement. Factors like supply and demand situations, input prices and their availability, changes in Government regulations, economic developments, etc. may influence the Company's operations or performance.

**For and on behalf of the Board of Directors**

**Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2019**

**Sd/-  
Aslam Kagdi  
Chairman and Managing Director  
DIN: 00006879**

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF  
HAWA ENGINEERS LIMITED.**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of **HAWA ENGINEERS LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profits and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement

when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial Statements.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
    - I. The Company has no Pending Litigations so there is no impact of pending litigations on its financial position in its financial statements.
    - II. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long-term contracts including derivative contracts.
    - III. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

For **YUSUF C. MANSURI & CO.**  
**Chartered Accountants**

**YUSUF C. MANSURI**  
**M. No. 038309**  
**FRN : 111768W**

**Place : Ahmedabad**  
**Date : 27<sup>th</sup> May, 2019**



### ANNEXURE-A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date)

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.  
  
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.  
  
(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties as disclosed in notes to financial statement are held in the name of company.
2. (a) The inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of such physical verification is reasonable. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. The company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the of the Companies Act 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
6. We have broadly reviewed the cost records maintained by the company pursuant to the companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues to the appropriate authorities have generally been regularly deposited. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2019 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, service tax, sales tax, customs duty, excise duty, value added tax which have not been deposited on account of any disputes.
8. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank.
9. In our opinion and according to the information and explanations given to us, the amount raised by way of the terms loans have been applied for the purpose for which loans were obtained, other than temporary deployment pending application.

10. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year, nor we have been informed of such case by the management.
11. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provision of Section 197 read with Schedule V to the Act.
12. In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. The company has entered into transactions with related parties in compliance with the provision of Section 177 and 188. The details of such related party transaction have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
14. In our opinion and according to information and explanation given to us, the company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures. Therefore, the provision of Clause 3(xiv) of the Order is not applicable to the Company.
15. In our opinion and according to information and explanation given to us, the company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly the provision of Clause 3(xv) of the Order is not applicable to the Company.
16. In our opinion and according to information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For YUSUF C. MANSURI AND CO.  
Chartered Accountants**

**Place : Ahmedabad  
Date : 27th May, 2019**

**YUSUF C. MANSURI  
M. NO. 038309  
FRN : 111768W**

**ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Hawa Engineers Ltd. ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For YUSUF C. MANSURI AND CO.  
Chartered Accountants**

**Place : Ahmedabad  
Date : 27th May, 2019**

**YUSUF C. MANSURI  
M. NO. 038309  
FRN : 111768W**

## BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars		Note	As at 31st March, 2019		As at 31st March, 2018	
<b>I</b>	<b>ASSETS :-</b>					
<b>1</b>	<b>NON-CURRENT ASSETS :</b>					
	Property, Plant and Equipment	3	83523087		91379432	
	Financial Assets :					
	Investments	4	5500600		5500600	
				<b>89023687</b>		<b>96880032</b>
<b>2</b>	<b>CURRENT ASSETS :</b>					
	Inventories	5	89865503		91662432	
	Financial Assets :					
	Trade Receivables	6	71707450		96448905	
	Cash and Cash Equivalents	7	76071433		64235002	
	Loans and Advances	8	28846986		27988215	
	Other Current Assets	9	7675821		2280138	
				<b>274167193</b>		<b>282614693</b>
	<b>TOTAL ASSETS</b>			<b>363190880</b>		<b>379494725</b>
<b>II</b>	<b>EQUITY AND LIABILITIES :</b>					
	<b>SHAREHOLDERS' FUNDS :</b>					
	Equity Share Capital	10	35264000		35264000	
	Other Equity	11	96318643		88833428	
				<b>131582643</b>		<b>124097428</b>
	<b>NON-CURRENT LIABILITIES :</b>					
	Financial Liabilities :					
	Borrowings	12	10963633		23567686	
	Deferred Tax Liabilities (Net)	13	8601994		8486282	
	Other Non-Current Liabilities	14	42811165		45218096	
	Provisions	15	8894116		7852171	
				<b>71270908</b>		<b>85124235</b>
	<b>CURRENT LIABILITIES :</b>					
	Financial Liabilities :					
	Borrowings	16	66666282		53635266	
	Trade Payables	17	85627745		107651918	
	Provisions	18	8043302		8985878	
				<b>160337329</b>		<b>170273062</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>			<b>363190880</b>		<b>379494725</b>
	(Significant Accounting Policies & Notes forming Part of the Financial Statements)	1 & 2				

As per our Report of even date  
**For YUSUF C. MANSURI & CO.**  
Chartered Accountants  
(FRN : 111768W)

**Yusuf C. Mansuri**  
Proprietor  
Membership No. : 38309

AHMEDABAD  
MAY 27, 2019

For and on behalf of the Board  
**HAWA ENGINEERS LTD.**

**ASLAM F. KAGDI**  
Chairman & M. D.  
(DIN:00006879)

**ASAD F. KAGDI**  
Jt. Managing Director  
(DIN:00006898)

**SHITAL DALAVADI**  
Company Secretary

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2019**

Particulars		Note	Year ended 31.03.2019	Year ended 31.03.2018
<b>I</b>	<b>Revenue From Operations (Gross)</b>	19	505026568	568774853
	Less : Excise Duty		0	16893233
	<b>Revenues From Operations (Net)</b>		<b>505026568</b>	<b>551881620</b>
<b>II</b>	Other Income	20	4570919	3299444
<b>III</b>	<b>Total Revenues (I+II)</b>		<b>509597487</b>	<b>555181064</b>
<b>IV</b>	<b>Expenses :</b>			
	Cost of Materials Consumed	21	323895948	410646389
	Purchases of Stock-in-Trade		0	0
	Change in Inventories of Finished Goods	22	(411823)	(19395936)
	Employee Benefits & Expense	23	20791353	18077497
	Finance Costs	24	17982566	12952333
	Depreciation	3	9206138	9014792
	Other Expenses	25	127661625	109020721
	<b>Total Expenses</b>		<b>499125807</b>	<b>540315795</b>
<b>V</b>	<b>Profit Before Tax (III-IV)</b>		<b>10471680</b>	<b>14865269</b>
<b>VI</b>	<b>Tax Expenses :</b>			
	Current Tax		3000000	4400000
	Deferred Tax		115712	691611
<b>VII</b>	<b>Profit for the year (V-VI)</b>		<b>7355968</b>	<b>9773658</b>
<b>VIII</b>	<b>Earnings per equity share of face value of</b>			
	Rs. 10 each Basic and Diluted (in Rs.)		2.09	2.77
	(Significant Accounting Policies & Notes forming Part of the Financial Statements)	1 & 2		

As per our Report of even date  
**For YUSUF C. MANSURI & CO.**

Chartered Accountants  
(FRN : 111768W)

**Yusuf C. Mansuri**  
Proprietor  
Membership No. : 38309

AHMEDABAD  
MAY 27, 2019

For and on behalf of the Board  
**HAWA ENGINEERS LTD.**

**ASLAM F. KAGDI**  
Chairman & M. D.  
(DIN:00006879)

**ASAD F. KAGDI**  
Jt. Managing Director  
(DIN:00006898)

**SHITAL DALAVADI**  
Company Secretary

## CASH FLOW STATEMENT FOR THE YEAR 2018 - 2019

Particulars		Year Ended 31.03.2019 (Rupees)		Year Ended 31.03.2018 (Rupees)	
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES :</b>				
	Net Profit before tax as per statement of Profit and Loss		10471680		14865268
	Add :				
	Depreciation	9206138		9014792	
	Loss on Sale of Assets (net)	(688727)		16385	
	Finance Costs	17982566		12952333	
			<b>26499977</b>		<b>21983510</b>
	Less :				
	Interest Income	4570919		3299444	
			<b>4570919</b>		<b>3299444</b>
	<b>Operating Profit before Working Capital Changes</b>		<b>32400738</b>		<b>33549334</b>
	Adjusted for :				
	Trade and Other Receivables	19345772		25943976	
	Inventories	1796928		(12136984)	
	Movement in Loans and Advances	(858771)		810354	
Trade and Other Payables	(24331734)		29297100		
		<b>(4047805)</b>		<b>43914446</b>	
Cash Generated from Operations		28352933		77463780	
Taxes Paid (Net)		2870753		4461342	
<b>Net Cash from Operating Activities (A)</b>		<b>25482180</b>		<b>73002438</b>	
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES :</b>				
	Sale of Fixed Assets	752229		20000	
	Interest Income	4570919		3299444	
			<b>5323148</b>		<b>3319444</b>
	Less :				
	Purchase of Fixed Assets	1413295		19778723	
	Investment for M F	0		2000000	
		<b>1413295</b>		<b>21778723</b>	
<b>Net Cash Flow used in Investing Activities ( B )</b>		<b>3909853</b>		<b>(18459279)</b>	

Particulars		Year Ended 31.03.2019 (Rupees)		Year Ended 31.03.2018 (Rupees)	
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES :</b>				
	Proceeds from Issue of Share Capital		0		0
	Proceeds from Long Term Borrowings		(12604053)		(2608816)
	Repayment of Long Term Borrowings		0		0
	Short Term Borrowings (net)		13031016		(38071805)
	Finance Costs		(17982566)		(12952333)
	<b>Net Cash Flow used in Financing Activities ( C )</b>		<b>(17555603)</b>		<b>(53632954)</b>
	<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>		<b>11836430</b>		<b>910205</b>
	Opening Balance of Cash and Cash Equivalents		64235002		63324796
	Closing Balance of Cash and Cash Equivalents		76071432		64235001

As per our Report of even date  
**For YUSUF C. MANSURI & CO.**  
 Chartered Accountants  
 (FRN : 111768W)

**Yusuf C. Mansuri**  
 Proprietor  
 Membership No. : 38309

AHMEDABAD  
 MAY 27, 2019

For and on behalf of the Board  
**HAWA ENGINEERS LTD.**

**ASLAM F. KAGDI**  
 Chairman & M. D.  
 (DIN:00006879)

**ASAD F. KAGDI**  
 Jt. Managing Director  
 (DIN:00006898)

**SHITAL DALAVADI**  
 Company Secretary



### 1. CORPORATE INFORMATION :

Hawa Engineers Limited is in business of Manufacturing of Industrial Valves, etc. The Company was incorporated in 1993 and it is situated in Ahmedabad, Gujarat.

### 2. SIGNIFICANT ACCOUNTING POLICIES :

#### I. Basis of Preparation of Financial Statements :

For all periods upto and including the year ended March 31, 2018, the Company prepared its financial statements in accordance with Generally Accepted Accounting Principles (GAAP) in India and complied with the accounting standards (Previous GAAP) as notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, to the extent applicable, and the presentation requirements of the Companies Act, 2013.

In accordance with the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under Section 133 read with Rule 4A of Companies (Indian Accounting Standards) Rules, 2015, as amended, and the relevant provisions of the Companies Act, 2013 (collectively, "Ind ASs") with effect from April 1, 2018 and the Company is required to prepare its financial statements in accordance with Ind ASs for the year ended March 31, 2019. These financial statements as and for the year ended March 31, 2019 (the "Ind AS Financial Statements") are the first financial statements, the Company has prepared in accordance with Ind AS.

The Company had prepared a separate set of financial statements for the year ended March 31, 2018 and March 31, 2017 in accordance with the Accounting Standards referred to in section 133 of the Companies Act, 2013 (the "Audited Previous GAAP Financial Statements"), which were approved by the Board of Directors of the Company on May 23, 2018 and May 29, 2017 respectively. The management of the Company has compiled the Special Purpose Comparative Ind AS Financial Statements using the Audited Previous GAAP Financial Statements and made required Ind AS adjustments. The Audited Previous GAAP Financial Statements, and the Special purpose Comparative Ind AS Financial Statements, do not reflect the effects of events that occurred subsequent to the respective dates of approval of the Audited Previous GAAP Financial Statements.

The Company has followed the provisions of Ind AS 101-"First Time adoption of Indian Accounting Standards" (Ind AS 101), in preparing its opening Ind AS Balance Sheet as of the date of transition, i.e. April 1, 2016. In accordance with Ind AS 101, the Company has presented reconciliations of Shareholders' equity under Previous GAAP and Ind ASs as at March 31, 2018, and April 1, 2016 and of the Profit / (Loss) after Tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2017.

#### II. Use of Estimates :

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the an outcome requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

Significant judgments and estimates about the carrying amount of assets and liabilities include useful lives of tangible and intangible assets, impairment of tangible assets, intangible assets including goodwill, investments, employee benefits and other provisions and recoverability of deferred tax assets.

**III. Property, plant and equipment :**

The Company has applied Ind AS 16 with retrospective effect for all of its property, plant and equipment as at the transition date, viz., 1 April 2016.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, attributable borrowing cost and any other directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the present value of the expected cost for the decommissioning and removing of an asset and restoring the site after its use, if the recognition criteria for a provision are met.

Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit and loss in the period in which the costs are incurred. Major inspection and overhaul expenditure is capitalized if the recognition criteria are met.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/other expenses in statement of profit and loss.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss, when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition / sale proceeds of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

**IV. Depreciation :**

Depreciation on fixed asset is calculated on Straight Line Method (SLM) based on the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013. Depreciation on assets purchased / sold during the period is proportionally charged.

**V. Valuation of Inventories :**

Raw materials and stores and spares are valued at lower of cost and net realizable value. Cost is determined on moving weighted average method and includes freight, taxes and duties net of tax credits, wherever applicable.

Finished goods and work-in-process are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of overheads based on normal operating capacity.

**VI. Investments :**

Investments are either classified as current or long term based on Management's intension. Current investments are carried at lower of cost and quoted / fair value, computed category-wise. Non Current investments are stated at cost. Provision for diminution in the value of Non Current investments is made only if such a decline is other than temporary.

**VII. Sales :**

Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Sales of goods are recognized on dispatch to customer, Sales exclude excise duty and state / central sales tax recovered on sales, wherever applicable and stand net of rate differences, sales returns etc.

**VIII. Impairment of Assets :**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**IX. Employee Benefits :**

Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

Contributions towards Provident Funds are recognized as expenses. Provident Fund contributions in respect of employees are made to Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

Liability towards gratuity, covering eligible employees, is provided on the basis of year end estimation.

Contribution to Central Government administered Employees' State Insurance Scheme for eligible employees are recognized as charge.

**X. Taxation :**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred income tax reflect the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years / period. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

**XI. Provisions and Contingencies :**

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provision is recognised in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

**XII. Foreign Currency Transactions :**

Transactions denominated in foreign currency are accounted for at the exchange rate prevailing on the date of transactions.

Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit & Loss Statement.

**XIII.** The cost of land has been stated as per banakhat executed and includes expenses for registration of banakhat and lawyer's fees.

**XIV.** In the opinion of the Board, the current assets, loans and advances and other receivables are approximately of the value stated if realized in the ordinary course of business and all known liabilities have been adequately provided for.

**XV.** The disclosures as required by Ind AS-19 on Employees Benefits are as under :

Details of expenses incurred for defined contribution plans during the year:

Particulars	31.03.2019	31.03.2018
Provident Fund & Other Funds	30,88,975/-	25,39,257/-
Gratuity	10,41,945/-	10,89,653/-

In respect of employees who have completed five years continuous service as on 31<sup>st</sup> March 2019, Provision for gratuity payable in respect of them is made on the basis of the calculation made in accordance with the provision of payment of Gratuity Act up to 31<sup>st</sup> March 2019 Rs. 88,94,116/- (Previous year Rs. 78,52,171/-)

**XVI. CONSUMPTION OF INDIGENOUS GOODS (IN-VALUE) :**

ITEM	VALUE	PERCENTAGE	TOTAL VALUE
RAW-MATERIALS	32,38,95,948/-	100%	32,38,95,948 /-
	(41,06,46,389/-)	(100%)	(41,06,46,389/-)
STORES & PACKING MATERIALS	98,29,993/-	100%	98,29,993/-
	(1,05,05,868/-)	(100%)	(1,05,05,868/-)

**XVII. RELATED PARTY INFORMATION :**

The Management has identified the following entities and individuals as related parties of the Company for the year ended March 31, 2019 for the purposes of reporting as per IND AS 24 - Related Party Transactions, which are as under:

**A. Subsidiary Company : - Nil**

**B. Partnership Firms / Proprietary Concern /Associates Companies:**

Hydint Valve Automation, Orbit Engineers, Marck & Care Engineers, Airmax Pneumatics Ltd., Hawa Control Enterprises, Hawa Control International, Hawa & Marck Engineers, Luft Techno Cast, Aira Automation Engineers, Marck & Aira Engineers, Flange-N-Flange, A. S. Engineers, Aira Euro Automation Pvt. Ltd., Mark & Aira Trading LLC., Aira Electro Pneumatics, Aira Pneumatics, Aira Eurotech Automation, Airmax Engineers, Airmax & Aira Automation, Aira & Cair Engineers, Cair & Aira Automation, Marck Valves N Flanges, Marck Valves, Marck Engineers, Marck Engineers International, Marck & Suzhik Valves,

Marck & Aira Valves Automation, Marck & Aira Engineering, Marck & Aira Automation, Marck & Aira Enterprises, Marck Valves Engineering & Automation, Hawa Valves Automation, Hawa Valves & Pneumatics, Hawa Automation Enterprise, Hydint Instrument, Hydint Pneumatics, Orbit & Marck Valves, Versa Industrial Valves, Utech Engineers (India), Zac Valves & Fittings, F M Infrastructure, Aim Metals Pvt. Ltd., Steelmac

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Controls Pvt. Ltd., Suzhik Flow Control Pvt. Ltd., Aira 4Matics Global Valve Automation Pvt. Ltd., Cair Euromatics Automation Pvt. Ltd.

**C. KEY MANAGEMENT PERSONNEL :**

Chairman & Managing Director : Aslam F. Kagdi  
 Jt. Managing Director : Asad F. Kagdi  
 Whole Time Director : Mohammedkhan Pathan

**D. TRANSACTIONS WITH RELATED PARTIES DURING THE YEAR 2018-19 :**

NATURE OF TRANSACTIONS COMPANY	ASSOCIATE COMPANIES	FIRMS	KEY MANAGEMENT	RELATIVES OF KEY MANAGEMENT PERSONNEL
Purchase Previous Year	2,06,43,439/- 3,62,24,252/-	10,78,46,722/- 12,81,90,712/-	--- ---	--- ---
Sales Previous Year	71,82,490/- 1,08,95,128/-	11,99,78,205/- 14,17,66,905/-	--- ---	--- ---
Sales Commission Previous Year	27,25,235/- 41,84,870/-	1,68,23,080/- 1,89,87,378/-	--- ---	--- ---
Office Rent Previous Year	--- ---	--- ---	15,84,000/- 15,84,000/-	19,32,000/- 19,32,000/-
Trade Discount Previous Year	70,140/- ---	2,25,77,670/- ---	--- ---	--- ---
Managerial Remuneration/ Seating Fees/ Other Benefits Previous year	--- ---	--- ---	26,88,389/- 27,94,289/-	--- ---
<b>OUTSTANDINGS :</b>				
- Payables Previous Year	1,29,90,217/- 2,40,22,221/-	6,93,19,572/- 1,40,47,357/-	--- ---	--- ---
- Receivables Previous Year	7,26,068/- 13,22,065/-	6,55,51,098/- 4,05,90,883/-	--- ---	--- ---

**XVIII. DEFERRED TAX :**

The components of Deferred Tax Liability (net) are as follows:

Particulars	As at March 31, 2018	For the year	As at March 31, 2019
Tax effect of items constituting Deferred Tax liability : On difference between book balance and Tax balance of fixed assets	84,86,282/-	1,15,712/-	86,01,994/-

**XIX. EARNINGS PER SHARE :**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

<b>PARTICULARS</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
1. Net Profit after tax	73,55,968/-	97,73,657/-
2. Number of Equity Shares	35,26,400	35,26,400
3. Nominal Value of Shares (Rs.)	10/-	10/-
4. Earnings Per Share (Rs.)	2.09	2.77

**XX. SEGMENT REPORTING :**

Considering the nature of company's business & operations there are no separate reportable segments.

**XXI.** Under the Micro, Small and Medium Enterprises Development Act, 2006, certain disclosures are required to be made relating to Micro, Small and Medium Enterprises. The Company is in the process of compiling relevant information from its suppliers about their coverage under the said Act. Since the relevant information is not readily available, no separate disclosures have been made in the accounts.

**XXII. CONTINGENT LIABILITIES NOT PROVIDED FOR :**

Counter Guarantees, against Bank Guarantees given by the bankers Rs. 6,00,62,506/- (Previous year Rs. 7,31,90,562/-)

**XXIII.** Balance of Trade receivable, Trade Payable, Deposits & Advances to Suppliers are subject to confirmation and adjustments, if any.

**XXIV. Salary to Directors (including Chairman & Managing Director):**

<b>Particulars</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
Salary, Allowances & Benefits	32,88,389/-	27,94,289/-

**XXV. Expenditure in foreign currency (on accrual basis) :**

<b>Particulars</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
A P I Expenses	6,52,788/-	6,15,651/-
Import Purchase (Machinery)	NIL	NIL

**XXVI. Details of Auditors Remuneration :**

<b>Particulars</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
Statutory Audit Fees	50,000/-	50,000/-
Tax Audit Fees	17,000/-	17,000/-
Total Rs.	67,000/-	67,000/-

**XXVII. Income earned in foreign exchange :**

<b>Particulars</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
Export of own products	1,80,54,188/-	3,93,30,038/-

**XXVIII.** Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with the current year's classification / disclosure.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

## NOTE : 3 : PROPERTY, PLANT AND EQUIPMENT

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 01.04.2018	Addition	Impair- ment	Dedu- ction	As at 31.03.2019	As at 01.04.2018	For the year	Deduction 31.03.2019	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
TANGIBAL ASSETS :											
(OWN ASSETS)											
Freehold Land	84215	0	0	0	84215	0	0	0	0	84215	84215
Buildings	28023107	66780	0	0	28089887	7292413	780583	0	8072996	20016891	20730694
Plant & Machinery	89258888	328144	0	27564	89559468	32527111	6173421	27413	38673119	50886349	56731777
Electric Installation	2405236	0	0	0	2405236	1681714	150888	0	1832602	572634	723522
Furniture & Fittings	7369148	0	0	0	7369148	4429103	537580	0	4966683	2402465	2940045
Vehicles	16919756	1018371	0	4563852	13374275	6750577	1563666	4500500	3813743	9560532	10169179
<b>TOTAL</b>	<b>144060350</b>	<b>1413295</b>	<b>0</b>	<b>4591416</b>	<b>140882229</b>	<b>52680918</b>	<b>9206138</b>	<b>4527913</b>	<b>57359143</b>	<b>83523087</b>	<b>91379432</b>

**NOTE : 4 : INVESTMENTS**

Sr. No.	Particulars	As at	
		31st March, 2019	31st March, 2018
1	<b>IN EQUITY SHARES - UNQUOTED FULLY PAID UP :</b> 60 Shares of the Bombay Mercantile Co-Operative Bank Ltd. Of Rs. 10/- each	600	600
2	<b>CANARA BANK ROBACCO FUND :</b> Mutual Fund	5500000	5500000
	<b>TOTAL</b>	<b>5500600</b>	<b>5500600</b>

**NOTE : 5 : INVENTORIES**

Sr. No.	Particulars	As at	
		31st March, 2019	31st March, 2018
1	Raw Materials	59773233	61178204
2	Finished Goods	29973124	29561301
3	Stores and Spares	0	440415
4	Packing Materials	119146	482512
	<b>TOTAL</b>	<b>89865503</b>	<b>91662432</b>

**NOTE : 6 : TRADE RECEIVABLES**

Sr. No.	Particulars	As at	
		31st March, 2019	31st March, 2018
A	Outstanding for a period exceeding six months from the date they are due for payment (Unsecured Considered Good)		12811212
B	Others (Unsecured Considered Good)	71707450	83637693
	<b>TOTAL</b>	<b>71707450</b>	<b>96448905</b>

**NOTE : 7 : CASH AND CASH EQUIVALENTS**

Sr. No.	Particulars	As at	
		31st March, 2019	31st March, 2018
1	<b>CASH AND CASH EQUIVALENTS :</b> <b>Balances with Banks</b> In Current Accounts	3148625	2065561
2	<b>Cash on hand</b>	38818793	34056554
3	<b>OTHER BANK BALANCES :</b> Fixed Deposit (Under Lien)	34103515	28112387
	Fixed Deposit & Recurring Deposit	500	500
	<b>TOTAL</b>	<b>34104015</b>	<b>28112887</b>
	<b>TOTAL</b>	<b>76071433</b>	<b>64235002</b>



## ANNUAL REPORT 2018-2019

### NOTE : 8 : LOANS AND ADVANCES

Sr. No.	Particulars	As at		
		31st March, 2019	31st March, 2018	
1	<b>DEPOSIT</b>		7893553	7128472
2	<b>LOANS AND ADVANCES TO EMPLOYEES :</b> (Unsecured, considered good)		102000	245000
3	<b>BALANCES WITH GOVERNMENT AUTHORITIES :</b> (Unsecured, considered good) CENVAT/GST credit receivable VAT credit receivable	2864358 12838095		1009787 12838095
			<b>15702452</b>	<b>13847881</b>
4	<b>ADVANCE INCOME TAX &amp; TDS :</b> (Unsecured, considered good)		5148981	6766862
	<b>TOTAL</b>		<b>28846986</b>	<b>27988215</b>

### NOTE : 9 : OTHER CURRENT ASSETS

Sr. No.	Particulars	As at		
		31st March, 2019	31st March, 2018	
1	Advance to Suppliers		5597247	2299666
2	Interest accrued but not received on deposits to Banks & Service providers		2078575	(219528)
3	Other Advances		0	200000
	<b>TOTAL</b>		<b>7675821</b>	<b>2280138</b>

### NOTE : 10 : EQUITY SHARE CAPITAL

Sr. No.	Particulars	As at		
		31st March, 2019	31st March, 2018	
1	<b>AUTHORISED :</b> 40,00,000 Equity Shares of Rs. 10/- each		40000000	40000000
2	<b>ISSUED, SUBSCRIBED AND PAID UP :</b> 35,26,400/- Equity Shares of Rs. 10/- each fully paid up		35264000	35264000
	<b>TOTAL</b>		<b>35264000</b>	<b>35264000</b>

### Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at	
	31st March, 2019	31st March, 2018
Number of shares at the beginning		3526400
Number of shares at the end		3526400
Amount of Share Capital at the beginning		35264000
Amount of Share Capital at the end		35264000

### Details of Share holders holding more than 5% equity shares :

Particulars	As at	
	31st March, 2019	31st March, 2018
Jameela F. Kagdi (5.95%)		209700
Mohammed Aslam F. Kagdi (5.03%)		177210
		209700
		159410

**Terms / Rights attached to Shares :**

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per Share. Each holder of equity shares is entitled to one vote per share.

**NOTE : 11 : OTHER EQUITY**

Sr. No.	Particulars	As at		As at	
		31st March, 2019		31st March, 2018	
1	<b>GENERAL RESERVE :</b>				
	As per last Balance Sheet	82390000		74890000	
	Add : Transferred from Profit & Loss Account	7500000		7500000	
			<b>89890000</b>		<b>82390000</b>
2	<b>SURPLUS IN THE STATEMENT OF PROFIT &amp; LOSS :</b>				
	As per last Balance Sheet	6443428		4172347	
	Add : Short Provision for Tax	129247		(2576)	
	Profit for the year	7355968		9773657	
		13928643		13943428	
	Less : Appropriations :				
	Transferred to General Reserve	7500000		7500000	
			<b>6428643</b>		<b>6443428</b>
	<b>TOTAL</b>		<b>96318643</b>		<b>88833428</b>

**NOTE : 12 : BORROWINGS**

Sr. No.	Particulars	As at		As at	
		31st March, 2019		31st March, 2018	
1	<b>FROM OTHER PARTIES : (Unsecured)</b>				
	Luft Capital Ltd.		4592546		6323959
2	<b>FROM BANK : (Secured)</b>				
	ICICI Bank - Car Loan	0		247522	
	H D F C Bank - Car Loan	1274018		1689418	
	Canara Bank - Term Loan	5097069	6371087	15306787	17243727
	<b>TOTAL</b>		<b>10963633</b>		<b>23567686</b>

**NOTE : 13 : DEFERRED TAX LIABILITIES (NET)**

Sr. No.	Particulars	As at		As at	
		31st March, 2019		31st March, 2018	
1	<b>DERERRED TAX LIABILITIES</b>				
	Related to Fixed Assets (Note No. 2.1 {XVIII})		8601994		8486282
	<b>TOTAL</b>		<b>8601994</b>		<b>8486282</b>

**ANNUAL REPORT 2018-2019****NOTE : 14 : OTHER NON-CURRENT LIABILITIES**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
1	Trade Advances		28731857		16897064
2	Trade Security Deposit		675598		6350891
3	Advances from Customers		10722669		17786540
4	Others		2681041		4183601
	<b>TOTAL</b>		<b>42811165</b>		<b>45218096</b>

**NOTE : 15 : PROVISIONS**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
1	PROVISION FOR EMPLOYEE BENEFIT : Provision for Gratuity		8894116		7852171
	<b>TOTAL</b>		<b>8894116</b>		<b>7852171</b>

**NOTE : 16 : BORROWINGS**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
1	<b>FROM BANK : (Secured)</b> Canara Bank	66666282		53635266	
			<b>66666282</b>		<b>53635266</b>
2	<b>FROM OTHER PARTIES : (Unsecured)</b>	0		0	
			<b>0</b>		<b>0</b>
	<b>TOTAL</b>		<b>66666282</b>		<b>53635266</b>

Cash Credit from Canara Bank @ Canara Bank base rate. The loan is secured by hypothecation of inventories, book debts and other receivables, both present and future and by way of a first charge on the Company's movable properties. Personal guarantee of three directors. The Cash Credit is repayable on demand.

**NOTE : 17 : TRADE PAYABLES**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
1	Micro, Small and Medium Enterprises & Others (Note No. 2.1 {XXI}) - For Goods - For Expenses		55762514 29865231		77641107 30010811
	<b>TOTAL</b>		<b>85627745</b>		<b>107651918</b>

**NOTE : 18 : PROVISIONS**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
1	<b>PROVISION FOR EMPLOYEE BENEFIT :</b> Provision for Bonus Provision for other Employee Benefit	0 2383422		0 1909890	
			<b>2383422</b>		<b>1909890</b>
2	<b>PROVISION OTHERS :</b> Provision for Income Tax Provision for Expenses	5287948 371932		6768088 307900	
			<b>5659880</b>		<b>7075988</b>
	<b>TOTAL</b>		<b>8043302</b>		<b>8985878</b>

**NOTE : 19 : REVENUE FROM OPERATIONS**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		1	<b>SALES OF PRODUCTS :</b> Domestic Sales Export Sales	487061150 17965418	
			<b>505026568</b>		<b>568446104</b>
2	<b>OTHER OPERATING REVENUES :</b> Sale of Scrape  Less : Excise Duty		0 <b>505026568</b> 0		328749 <b>568774853</b> 16893233
	<b>Revenue From Operations (Net)</b>		<b>505026568</b>		<b>551881620</b>

**NOTE : 20 : OTHER INCOME**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		1	Interest		3048548
2	Other Non Operating Income		1522371		676241
	<b>TOTAL</b>		<b>4570919</b>		<b>3299444</b>

**NOTE : 21 : COST OF MATERIALS CONSUMED**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		1	Opening Stock Add : Purchases  Less : Closing Stock	61178204 322490977	
			<b>383669181</b> 59773233		<b>471824593</b> 61178204
	<b>TOTAL</b>		<b>323895948</b>		<b>410646389</b>

**NOTE : 22 : CHANGES IN INVENTORIES OF FINISHED GOODS**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		1	<b>Inventories at the beginning of the year</b> Finished Goods		29561301
2	<b>Inventories at the end of the year</b> Finished Goods		29973124		29561301
	<b>(Increase) in Inventories</b>		<b>(411823)</b>		<b>(19395936)</b>

**NOTE : 23 : EMPLOYEE BENEFITS & EXPENSE**

Sr. No.	Particulars	As at 31st March, 2019		As at 31st March, 2018	
		1	Salaries and Wages		15301285
2	Contribution to Provident and Other Funds (Note No. 2.1 {XV})		3088975		2539257
3	Staff Welfare Expenses		1070759		958016
4	Gratuity (Note No. 2.1 {XV})		1041945		1089653
5	Other Benefits		288389		394289
	<b>TOTAL</b>		<b>20791353</b>		<b>18077497</b>

**ANNUAL REPORT 2018-2019****NOTE : 24 : FINANCE COSTS**

Sr. No.	Particulars	As at			
		31st March, 2019	31st March, 2018		
1	Interest		10233119		7844568
2	Bank Charges		7340820		4665902
3	Hire Charges		408627		441863
	<b>TOTAL</b>		<b>17982566</b>		<b>12952333</b>

**NOTE : 25 : OTHER EXPENSES**

Sr. No.	Particulars	As at			
		31st March, 2019	31st March, 2018		
<b>1</b>	<b>Manufacturing Expenses :</b>				
	Labour Expenses	8650760		11241388	
	Transport Inward	1036		27962	
	Consumption of Stores and Packing Materials	9829993		10505868	
	Electric Power	5348726		5705225	
	Gas Charges	114314		90079	
	Repairs to Building	165327		401196	
	Repairs to Machinery	1113756		3125637	
	Design, Drawing & Development Charges	58400		0	
	Late Delivery Charges	14692775		7603495	
	Trade Discount	24408614		0	
		<b>64383701</b>		<b>38700850</b>	
<b>2</b>	<b>Selling and Distribution Expenses :</b>				
	Excise, Income Tax & Vat Assessment	40417		665858	
	Other Selling and Distribution Expenses	45516316		52906995	
		<b>45556733</b>		<b>53572853</b>	
<b>3</b>	<b>Establishment Expenses :</b>				
	Professional Fees	1177048		1031174	
	General Expenses	8146560		6364919	
	Insurance	149084		275911	
	Rent & Taxes	4043824		4267176	
	Other Reapirs	2733359		2448227	
	Travelling & Conveyance Expenses	1815544		1944726	
	Payment to Auditors	67000		111000	
	Loss / (Profit) on Sale of Fixed Assets	(688727)		16385	
	Donation	27500		0	
		<b>17471191</b>		<b>16459518</b>	
<b>4</b>	<b>B S E Expenses</b>		250000		287500
	<b>TOTAL</b>		<b>127661625</b>		<b>109020721</b>

**HAWA ENGINEERS LTD.**

[CIN: L29120GJ1993PLC019199]

Regd. Office: Plot No. 129, Near. Kashiram Textile Mill Narol Road, Ahmedabad-382405  
Phone No: 079 - 25320781/82/83/86 Email: riyaz@hawaengltd.com; website: www.hawaengineersltd.com

**ATTENDANCE SLIP**

(to be presented at the Entrance)

**26<sup>th</sup> Annual General Meeting on Monday, 30<sup>th</sup> September, 2019 at 3.00 p.m.** at Plot No. 129, Near. Kashiram Textile Mill, Narol Road, Ahmedabad-382405

Full name of the member attending: \_\_\_\_\_

Full name of the joint-holder : \_\_\_\_\_

(To be filled in if first named Joint – holder does not attend meeting)

Name of Proxy holder : \_\_\_\_\_

(To be filled in if Proxy Form has been duly deposited with the Company)

Folio No \_\_\_\_\_ DP ID No. \* \_\_\_\_\_ Client ID No.\* \_\_\_\_\_

\* Applicable for members holding shares in electronic form.

No. of Share(s) held \_\_\_\_\_

\_\_\_\_\_  
**Member's / Proxy's Signature**

**Note:**

1. Please complete the Folio / DP ID-Client No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Physical copy of the Annual Report for 2018-19 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode (s) to all Members.

**HAWA ENGINEERS LTD.**

[CIN: L29120GJ1993PLC019199]

Regd. Office: Plot No. 129, Near. Kashiram Textile Mill Narol Road, Ahmedabad-382405  
Phone No: 079 - 25320781/82/83/86 Email: riyaz@hawaengltd.com; website: www.hawaengineersltd.com

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013  
and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s) : \_\_\_\_\_

Registered Address : \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Folio/DP ID Client ID No. : \_\_\_\_\_

I /We being the member(s) holding \_\_\_\_\_ Shares of the above named Company hereby appoint:

(1) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her:

(2) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him / her:

(3) Name: \_\_\_\_\_

Address: \_\_\_\_\_

Email ID: \_\_\_\_\_ Signature: \_\_\_\_\_

as my /our proxy to attend and vote (on a poll) on my / our behalf at the 26<sup>th</sup> Annual General Meeting of the Equity Shareholders of Hawa Engineers Ltd will be held on Monday, 30<sup>th</sup> September, 2019 at 3.00 p.m. at the Registered Office, Plot No: 129, Near. Kashiram Textile Mill, Narol Road, Ahmedbad – 382405 and at any adjournment thereof in respect of resolutions as are indicated below.

Resolution No.	Particulars of Resolution	Optional	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1.	To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2019 and the Profit and Loss Account for the year ended on that date together with the Report of Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mr. Aslam Kagdi (DIN: 00006879), who retires by rotation and, being eligible, offers himself for re-appointment.		
	<b>SPECIAL BUSINESS:</b>		
3.	Re-Appointment of Mr. Anwarahmed Mohammed Javid Daruwala (DIN: 06487724) as an Independent Director of the Company.		
4.	Re-Appointment of Mr. Shad Mdafzal Ranginwala (DIN: 01989939) as an Independent Director of the Company.		
5.	Re-Appointment of Mrs. Sabana Amjad Rehmani (DIN:06967822) as an Independent Director of the Company.		
6.	Re-Appointment of Mr. Aslam Kagdi (DIN:00006879) as a Managing Director and CFO of the Company.		
7.	Re-appointment of Mr. Asad Kagdi (DIN: 00006898) as a Joint Managing Director of the Company.		
8.	Re-appointment of Mr. Mohammedkhan Pathan (DIN: 00006940) as a Whole Time Director of the Company.		
9.	Re-classification of Persons forming part of the Promoter Group from Promoter & Promoter Group Category to Public Category.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

Signature of Shareholder : \_\_\_\_\_

Signature of Proxy holder(s) : \_\_\_\_\_

Affix Re 1 revenue stamp
-----------------------------------

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.
3. Please complete all details including details of member (s) in the above box before submission.
4. Those Members who have multiple folios with different joint holders may use copies of this Attendance slip/Proxy.



# *Hawa Engineers Ltd.*

CIN : L29120GJ1993PLC019199

**Registered & Corporate Office**

Plot No : 129, B/h Kashiram Textile Mill,  
Narol Road, Ahmedabad - 382405. (Gujarat) India..

**Works :**

B/h. Police Chowky, Chandola,  
Ahmedabad - 380028. (Gujarat) India.

**Phone :** +91 79 2532 0781 / 82 / 83 / 86 **Fax :** +91 79 2532 0785

**Email :** helho@hawaengltd.com **Visit us :** www.hawaengltd.com